

# Purchasing Week

M c G R A W - H I L L ' S N A T I O N A L N E W S P A P E R O F P U R C H A S I N G

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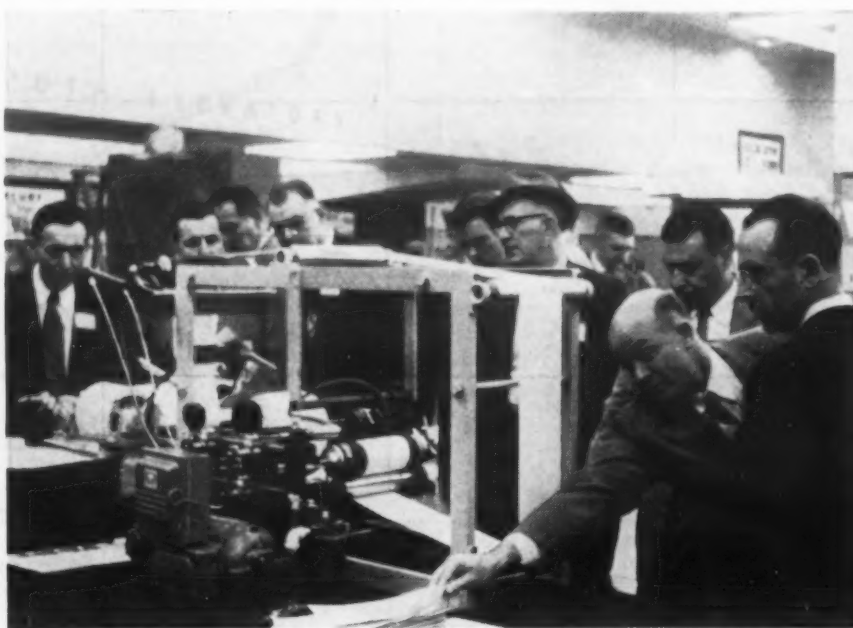
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\$6 A YEAR U. S. AND CANADA \$25 A YEAR FOREIGN



TELEPHONE HOOKUP allows visitors at packaging exposition to listen to salesmen while watching demonstration of cushioning material.



AUTOMATIC PACKAGING MACHINE attracted a lot of interest. One man reaches for a brochure explaining the many uses of the equipment.

## Pay Increases May Up Prices Of Steel, Al.

New York—The same round of pay increases which have triggered the steel price increase forecast for July has U. S. aluminum producers on the brink of a similar move for August.

The warning was sounded by Donovan Wilmot, vice president of Aluminum Co. of America, last week when he told an aluminum extruders meeting at Williamsburg, Va., a price decision must be made unless "the union can be persuaded to forego or defer" contract guaranteed raises which he said would exceed 25¢ an hour.

"If this goes through, our costs will, of course, be increased substantially, and we shall have to decide what to do about prices," Wilmot declared.

An aluminum price move will have to be weighed under the pressure of foreign competition which Wilmot decried as a deadly threat to the strength of the U. S. industry's strength. He called (Continued on page 25)

## New Products, Methods Draw P.A.'s to Shows

National Packaging Exposition Reveals Research Emphasized to Meet Customers' Varied Needs

New York—Major emphasis on research to meet customer needs was clearly evident at the American Management Association's annual packaging conference and 27th National Packaging Exposition at the Coliseum, May 26-30. With aggressive marketing a must from here on out for packaging sales, research to devise new packaging materials, equipment, methods, and layout is destined for an even bigger and better role.

The materials, equipment, and services displayed by nearly 400 firms at the \$10 billion industry's exposition dramatically demonstrated (Continued on page 26)

National Office Machinery Exposition Exhibitors Going After Mass Market With Cheaper Machines

Chicago—Office machinery makers are gunning for "mass market" business among the smaller and medium-sized companies. Their principal ammunition consists of less sophisticated machines bearing more modest price tags.

A tour of the nearly 150 exhibits at the National Office Machinery Exposition in Chicago May 26-28 demonstrated that point, plus the fact that while this type of machinery reflects the cost-conscious attitude of office machinery makers, there is little if any weakening of the price structure.

There was but one good exception (Continued on page 26)

## Anti-Trust Cases Hit Industries

Washington—A flurry of anti-trust and price-fixing litigation has hit a wide range of industrial activity during the past two weeks.

Gasoline, dye stuffs, citric acid, and alloys producers were the targets of complaints in federal courts.

The biggest case involves criminal indictment of 29 oil companies, including most of the nation's major firms, and resulted from a 1¢ per gal. increase in the price of automotive gasoline almost 18 months ago. A federal grand jury sitting in Alexandria, Va. May 29, accused the firms of conspiring to fix prices on crude (Continued on page 26)

## Barge, Rail, Trucks Fight for Coal Freight

New York—A brewing battle for coal hauling business among Eastern and Midwestern rail, truck, and barge carriers has produced a series of railroad rate cuts, with further reductions reported imminent.

About a dozen Midwestern railroads recently slashed rates 30¢ a ton on soft coal hauled from Southern Illinois, Indiana, (Continued on page 26)

## Employment Up; G.O.P. Confident

Washington—The considerably brightened employment situation provided a shot in the arm to Administration confidence.

Republicans hailed the May employment figures as proof of President Eisenhower's view that the economy was halting its downward slide without the need for further government pump priming.

The government reported Friday that employment had leaped 1.2 million in May to a total of 64.1 million. It was the first rise of more than seasonal proportions since the recession began last summer. They also were (Continued on page 25)

This Week's

## Purchasing Perspective

JUNE 9-15

The aluminum industry is only one step behind steel in the timetable which requires a new decision on prices. Aluminum producers face a big increase in labor costs on Aug. 1, when union contracts call for wage hikes estimated at 20-25 cents/hr. and industry consensus is that higher prices are needed to protect profits. But are they possible?

Foreign competition has U. S. producers in a knotty dilemma. Foreign, principally Russian, production forced a 2¢/lb. price cut in April when Canada's Aluminum, Ltd., took the lead in the reduction. And the situation has improved but little, if at all, since then.

Thus the risks to an aluminum price rise are great. U. S. producers will have a rugged time deciding what to do.

Steel production is expected to taper off again once the current (Continued on page 25)

## Safety Council: Buy Equipment, Forget Price

Chicago—When buying safety equipment—forget the price. Whether you agree with that statement or not, the National

Safety Council, which last week released the 1957 figures on industrial accidents, can back it up with sound reasoning and sounder examples.

Despite a 1% gain in the severity rate, the statistics show a continuing downward trend in the frequency of industrial accidents, with a 2% drop last year.

"But there's still room for improvement," emphasizes Roy Benson, assistant manager of the Council's Industrial Department. "For the purchasing agent, the thing of significance in the safety field is to remember not to buy equipment on the basis of price alone."

"In fact," Benson continues, "a P.A.'s attempt to save money

by cutting out some safety equipment can backfire and end up by costing the company more than anticipated."

As an example, he said a machine bought without a guard may cost a few dollars less than a machine purchased with a guard installed at the factory. However, if the safety engineer spots the machine operating without use of a guard, and orders one installed, the headaches begin. Someone has to design the guard, another has to figure out how to fasten it on, and somebody in the machine shop has to make it.

"Even with the added cost," the Council spokesman said, "you can't do as good a job put- (Continued on page 3)

## Consumer Incomes Up; Buying Power Increases

Washington—A new government study on consumer incomes spotlights the relatively healthy purchasing power position of the average American family.

The fact that purchasing power is still available is an encouraging sign, and at the same time points up one of the major problems today: How to make the consumer spend the money he has. (Continued on page 4)

## See P.A. before Engineer, Crawford

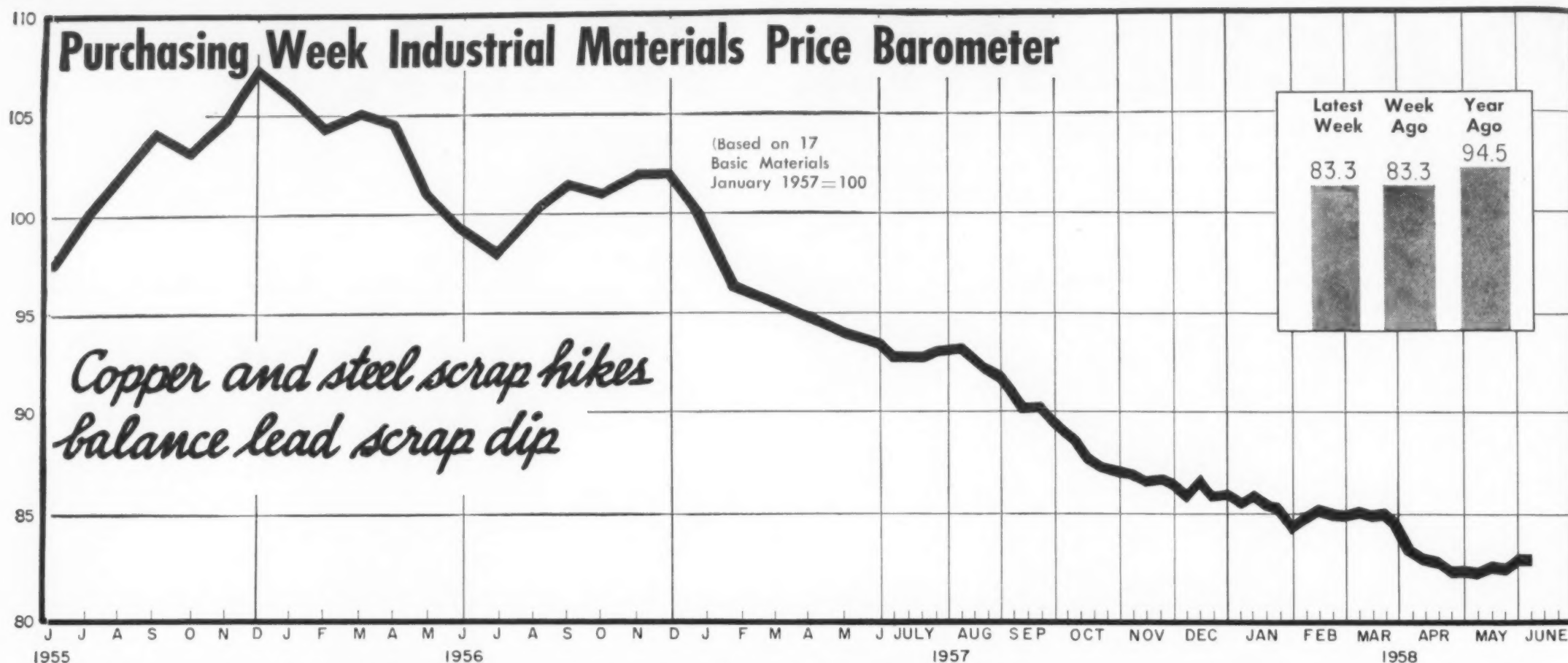
Pittsburgh—Salesmen who bypass a company's purchasing department and make "cold" calls on technical men are taking the wrong road, according to U. S. Steel Corp.'s director of purchases.

"The best way to reach the right technical men in any company is through the purchasing agent," William W. Crawford said in a talk prepared for a Blaw-Knox Co. sales conference here.

"Bypassing the purchasing agent is not a matter of hurting his feeling," Crawford asserted. "It is a matter of violating sound rules of procedure and company policies that experience has proven to be of greater value to all concerned—buyer and seller alike."

Crawford noted that "there are scores of salesmen, sales engineers, technical experts, and (Continued on page 3)





This index was designed by the McGraw-Hill Department of Economics to serve as an overall sensitive barometer of movements in industrial raw

material prices. The index is not intended to give price movements of specific commodities. The items are important only in that, together, they reflect the

current general market trend in sensitive industries. Weekly prices for most of the items covered are published in "Commodity Prices" below.

## - This Week's

## Price Perspective

**JUNE 9-15**

**Bottoming out of the recession is having its customary effect on industrial price trends.**

In many areas where sales and production are still going down, easiness in the form of price concessions is still the rule.

But in several other important areas of the economy, prices are showing signs of firming in line with better demand.

The official B.L.S. wholesale index which slipped fractionally in May, will probably remain steady through June, and possibly well into summer.

This is usually the case in a transitory period from recession to recovery. Pluses tend to balance out minuses—and overall indexes remain deceptively steady.

**It's a time when purchasing know-how can pay off. It means closely following supply, demand and other marketing factors, looking for weaknesses, anticipating firming trends.**

It's also a time when wise buying decisions can mean dollars-and-cents to your company, and ultimately to yourself.

In this so-called transition period there'll be plenty of weak spots left, particularly in hard goods areas where consumer and business demand is still down.

The latest N.A.P.A. monthly survey confirms the fact that there are still plenty of bargains available. Members continue to report that they are paying somewhat less for numerous items.

**In some industries this cutting has been significant.** Automobile part makers—hard hit by the auto sales slump—have been filling contracts at quotations 10-15% below last year.

Some raw materials, like lead, also remain shaky. Lask week's  $\frac{1}{2}\text{¢}$  a lb. cut put lead tags at an 8-year low.

**But these weaknesses are only one side of the coin.**

Strengthening trends in many industrial areas are gradually becoming more and more apparent as the recession peters out.

**Last week's steel scrap rise was perhaps the most dramatic.** Tags moved up as much as \$3 a ton in Pittsburgh and \$5 a ton in Chicago on the strength of rising steel demand. The factors behind this increase in steel activity are discussed in the story on page 1.

**Gasoline is another commodity showing signs of firming.** Boost in sales recently dropped stocks by 2.4 million barrels. Gasoline wars are ebbing and one marketer is now talking of a price advance.

**Even textiles are firming.** The key 80 square cotton print cloth was quoted last week at 17 $\frac{3}{8}$ ¢ a yard— $\frac{3}{8}$ ¢ above the 12-year low reached in late April of this year.

**Better demand has also spread to copper.** Last week's smelter boost was the third in as many weeks. Another firming factor may be the stronger copper price tone in London.

Overseas political difficulties are also playing a role in tending to keep some industrial raw material tags firm.

The trouble in France, North Africa, Lebanon, and Indonesia have not escaped the notice of sharp-eyed traders.

That's one reason for the recent advances in international quotes for copper, rubber, wool, cocoa, and pepper.

But these political influences, as contrasted to economic supply and demand factors, are unpredictable. Any easing of current international tensions could push these tags back to month-ago levels.

## This Week's Commodity Prices

METALS	June 4	May 28	Year Ago	% Yrly Chg.
Pig iron, Bessemer, Pitts., gross ton	67.00	67.00	65.50	+ 2.3
Pig iron, basic, valley, gross ton	66.00	66.00	64.50	+ 2.3
Steel, billets, Pitts. net ton	77.50	77.50	74.00	+ 4.7
Steel, structural shapes, Pitts., cwt	5.275	5.275	5.00	+ 5.5
Steel, structural shapes, Los Angeles, cwt	5.975	5.975	5.70	+ 4.8
Steel, bars, del., Phila., cwt	5.725	5.725	5.365	+ 6.7
Steel, bars, Pitts., cwt	5.425	5.425	5.075	+ 6.9
Steel, plates, Chicago, cwt	5.10	5.10	4.85	+ 5.2
Steel scrap, #1 heavy, del. Pitts., gross ton	34.50	32.50	46.50	-25.8
Steel scrap, #1 heavy, del. Cleve., gross ton	33.00	33.00	45.50	-27.5
Steel scrap, #1 heavy, del. Chicago, gross ton	34.50	33.50	42.50	-18.8
Aluminum, pig, lb	.24	.24	.25	- 4.0
Secondary aluminum, #380 lb	.212	.213	N.A.	N.A.
Copper, electrolytic, wire bars, refinery, lb	.244	.245	.315	-22.5
Copper scrap, #2, smelters price, lb	.195	.185	.245	-20.4
Lead, common, N.Y., lb	.11	.115	.14	-21.4
Nickel, electrolytic, producers, lb	.74	.74	.74	0
Nickel, electrolytic, dealers, lb	.74	.74	1.05	-29.5
Tin, Straits, N.Y., lb	.945	.945	.985	- 4.1
Zinc, Prime West, East St. Louis, lb	.10	.10	.11	- 9.1
FUELS				
Fuel oil #6 or Bunker C, Gulf, bbl	2.25	2.25	2.75	-18.2
Fuel oil #6 or Bunker C, N.Y. barge, bbl	2.57	2.57	2.10	-17.1
Heavy fuel, PS 400, Los Angeles, rack, bbl	2.50	2.50	2.85	-12.3
LP-Gas, Propane, Okla. tank cars, gal	.04	.04	.04	0
Gasoline, 91 oct. reg. Chicago, tank car, gal	.115	.115	.13	-11.5
Gasoline, 84 oct. reg. Los Angeles, rack, gal	.11	.11	.136	-19.1
Coal, bituminous, slack, ton	5.75	5.75	6.05	- 5.0
Coke, Connellsville, furnace, ton	15.25	15.25	15.25	0
CHEMICALS				
Ammonia, anhydrous, refrigeration, tanks, ton	90.50	90.50	82.50	+ 9.7
Benzene, petroleum, tanks, Houston, gal	.36	.36	.36	0
Caustic soda, 76% solid, drums, carlots, cwt	4.80	4.80	4.30	+11.6
Coconut oil, inedible, crude, tanks, N.Y. lb	.149	.148	.123	+21.1
Glycerin, synthetic, tanks, lb	.298	.278	.28	- 7
Linseed oil, raw, in drums, carlots, lb	.173	.173	.163	+ 6.1
Phthalic anhydride, tanks, lb	.205	.205	.205	0
Polyethylene resin, high pressure molding, carlots, lb	.325	.325	.35	- 7.2
Rosin, W.G. grade, carlots, f.o.b. N.Y. cwt	9.70	9.70	9.30	+ 4.3
Shellac, T.N., N.Y. lb	.31	.31	.36	-13.9
Soda ash, 58%, light, carlots, cwt	1.55	1.55	1.55	0
Sulfur, crude, bulk, long ton	23.50	23.50	26.50	-11.3
Sulfuric acid, 66%, commercial, tanks, ton	22.35	22.35	22.35	0
Tallow, indelible, fancy, tank cars, N.Y. lb	.081	.093	.08	+ 1.3
Titanium dioxide, anatase, reg, carlots, lb	.255	.255	.255	0
PAPER				
Book paper, A grade, Eng finish, Untrimmed, carlots, CWT	17.00	17.00	16.70	+ 1.8
Bond paper, #1 sulfite, water marked, 20 lb carton lots, CWT	24.20	24.20	24.20	0
Chipboard, del. N.Y., carlots, ton	102.00	100.00	100.00	0
Kraft liner, 42 lb del. N.Y., ton	127.50	127.50	127.50	0
Wrapping paper, std, Kraft, basis wt. 50 lb rolls	9.00	9.00	9.25	- 2.7
Gummed sealing tape, #2, 60 lb basis, 600 ft bundle	6.40	6.40	6.60	- 3.0
BUILDING MATERIALS				
Brick, del. N.Y., 1000	41.25	41.25	41.25	0
Cement, Portland, bulk, del. N.Y., bbl	4.26	4.26	4.38	- 2.7
Glass, window, single B, 40" bracket, box	7.00	7.00	7.09	- 1.3
Southern pine lumber, 2x4, s4s, trucklots, fob N.Y.	116.00	116.00	118.00	- 1.7
Douglas fir lumber, 2x4, s4s, trucklots, fob N.Y.	120.00	120.00	118.00	+ 1.7
TEXTILES				
Burlap, 10 oz, 40", 100 yd	10.20	10.20	11.15	- 8.5
Cotton, 1 Middling, N. Y., lb.	.363	.363	.355	+ 2.3
Printcloth, 39", 80x80, N.Y., spot, yd	.174	.174	.179	- 2.8
Rayon, satin, acetate, N.Y., yd	.27	.27	.298	- 9.4
Wool tops, N.Y. lb	1.49	1.51	1.98	-24.8
HIDES AND RUBBER				
Hides, cow, light native, packers, lb	.138	.138	.16	-13.8
Rubber, #1 std ribbed smoked sheets, lb	.26	.263	.324	-19.8



## Safety Council: Buy Equipment

### Forget Price to Cut Industrial Accidents; Reasons Emphasized

(Continued from page 1)  
ting the guard on when the machine is installed as the manufacturer can do at the factory level." Last year's accident figures by industry show that the highest frequency rates are in the construction, mining, lumber, and marine transport fields. The lowest industry rate is in the field of communications.

Benson also pointed out that some fields where high accident rates might be expected, such as the petroleum and nuclear industries, are relatively free of accidents. He said this is because the tremendous potential hazards were recognized in advance and the strict safety precautions and procedures are followed.

As far as other industries are concerned, the safety manager said the problem is not one of devising more safety equipment but one of education in the use of what is available. He also noted another point that purchasing agents should keep in mind.

#### Producers Work on Styles

"Safety equipment manufacturers are conscious of the fact that the worker wants to look pretty much on the job as he looks off the job. Therefore, the manufacturers stay abreast of style trends."

Example: When a popular style dress shoe comes on the market, within a few months the same style will be available in a safety shoe for factory workers. The same is true with eyeglasses, etc.

As to whether more accidents tend to occur in large plants or small plants, Benson said this was difficult to determine from statistics. However, he said the large plant with a co-ordinated safety program has the advantage over the smaller one which does not.

#### P.A.'s Can Promote Safety

Purchasing agents in either type plant, he added, can promote safety by following these simple rules:

- Keep a file of available safety equipment for future reference.
- Be on the lookout for anything new in the way of safety equipment, especially if one knows some piece of machinery will have to be replaced because it has already caused an accident.
- Try to attend the annual Safety Congress here every October, at which the latest safety equipment is displayed.
- Keep up on the various State and Federal laws governing the use of safety equipment.
- Keep in touch with the National Safety Council for initial information on various safety subjects.

"Selling safety," Benson concluded, "is not much different from selling any other commodity, except that safety is an intangible and a little harder to sell than a packaged item."

He added however, that safety is one commodity all purchasing agents should be most willing to "buy."

## See P.A. before Engineer, Crawford

(Continued from page 1)

others making cold calls on a company's various technical departments who fail to recognize that the head of the modern, centralized purchasing department is quite capable of determining whether a new product is of concern to his company."

If the purchasing agent is offered something that requires a technical man's special knowledge, Crawford said, he refers it to technical plant men better qualified to handle it.

Before making a sales call, salesmen ought to know as much

as possible about the needs of a prospective buyer for the product, the steel executive suggested.

"Knowing that we do, or can use his type of product, the salesman we welcome tells us why his particular make is better, and proves that its use will result in a particular benefit to us, either in maintaining or improving the quality of our product or operation, or in reducing our present costs, immediately or within a reasonable period of time," Crawford said.

He added that a good salesman should be able to defend his price

as competitive. Elaborating on this point, Crawford said:

"A salesman is not expected to be a cost accountant but he should know the principal components of the cost of the commodity he is selling and their relationship to each other."

"He should be equipped with knowledge not only of the present condition of the market for his product but also any reasonable changes in the future."

Crawford gave this word of warning: "The standards of progressive purchasing management are far above free lunches, entertainment, or gifts as a means of securing business."

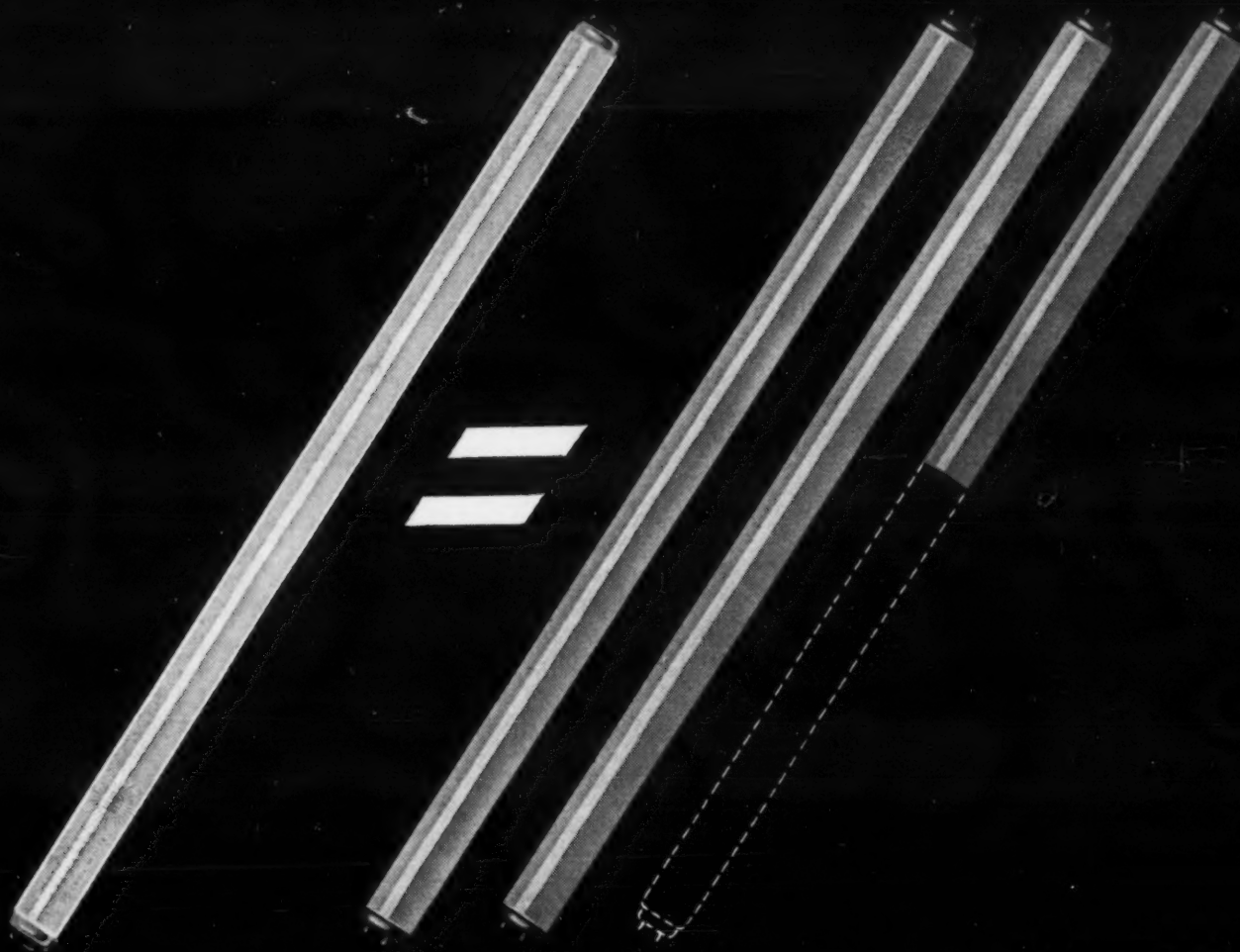
And summing up he said:

"Having made an adequate presentation and given us a price that is competitive, the salesman is well regarded who then and there asks for an order without hesitation or further argument; and who, if he finds that price is the only remaining deterrent, will either quickly refigure it, or prove to us that it is not too high for the value or service that his product will give us."

#### P.A.'s Tour Steel Plant

Cleveland—Members of the Cleveland Purchasing Agents Association toured the Cuyahoga Works of American Steel & Wire May 27.

With no change in tube shape or size, new Sylvania VHO delivers as much light as 2½ standard fluorescent tubes



VHO means Very High Output

#### Another reason why

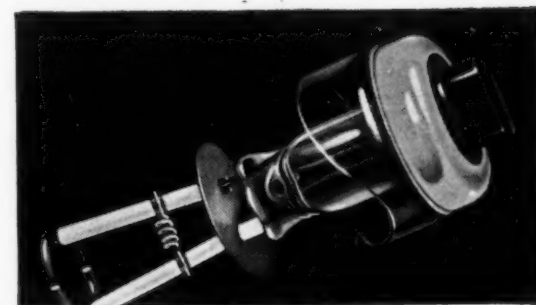
### Sylvania Fluorescents give you more light at lower cost than all other brands

No other very high intensity fluorescents cost so little to buy and use — or maintain greater brightness throughout lamp life. The new VHO fluorescent lamp looks like any standard lamp — yet it delivers more than 2½ times as much light as lamps of identical size and shape. The initial cost of Sylvania VHO is appreciably lower than any other high intensity fluorescent lamps, and at no sacrifice in service or performance. VHO lamps keep operating costs to a minimum by giving you more effective, useful light than other high intensity fluorescent lamps.

SYLVANIA LIGHTING PRODUCTS  
Division of Sylvania Electric Products Inc.  
60 Boston Street, Salem, Massachusetts

**SYLVANIA Lighting Products**  
make light a better tool for profits

LIGHTING • TELEVISION • RADIO • ELECTRONICS • PHOTOGRAPHY • ATOMIC ENERGY • CHEMISTRY • METALLURGY



The secret of the VHO is the unique "Pressure Control Center" inside the tube. This exclusive development creates a cooler lamp interior that has enabled Sylvania to pack more than 2½ times as much light into a standard size tube.



# Washington Perspective

JUNE 9-15

Spring was a little late in coming for business this year, but the important thing is that it has arrived. There was much concern a month ago that the traditional spring rise in business would not come off this year; that the economy would continue to decline right through the second quarter.

But though belated, spring came on with a rush in May and June. This was apparent from a whole raft of government statistics showing an impressive improvement in many sectors of the economy.

For the first time, many Washington economists are confident that the long drop in the economy has ended or will by the end of the month. This was the reason behind Pres. Eisenhower's decision not to cut taxes. Though his advisers are split, the President accepts the view that a tax reduction is not needed to pep the economy; that business will pull itself up on its own.

The signs began pointing that way in May. Most impressive was the employment picture. Employment jumped 1.2 million in May, first time it has risen more than seasonally since the recession got underway last August. Unemployment fell below five million, thus adding a psychological lift.

Other factors lend themselves to the new optimism: Hours worked and overtime, both sensitive "lead" indicators, rose in May for the first time. Steel production is up and going higher. The April rise in retail sales continued in May. At the wholesale level, trade also rose with durables moving at a faster pace than non-durables. Gasoline sales pepped up in May. The National Association of Purchasing Agents reports new order bookings rising. Farmers are enjoying a boomlet with their products bringing the highest prices in history.

Some of Eisenhower's advisers are less optimistic. They're looking at other statistics: Inventory liquidation continuing at a wide open pace. Plant and equipment expenditures still are declining. Autos remain the weak sister of the economy. Government spending is not picking up as fast as expected.

But this is the minority view as far as the President is concerned. The official White House conclusion is that the worst is now behind us. The expectation is that the economy will hold steady through the summer and begin picking up gradually in September. Recovery is expected to be complete by mid-1959, with gross national product back up to where it was in 1957.

Leaders in business and finance added weight to the optimism about the economy. Twenty-eight corporate chiefs submitted their views to the Senate Finance Committee, which published them last Friday. The general consensus:

The recession, though presenting problems, had mainly shot its bolt, and there was no danger of it tailspinning into depression.

On other points concerning the business picture, many of the corporate heads blamed organized labor in big part for the recession by pushing for higher wages.

Washington needed no reminder on the dangers of inflation. Attention has been centered almost as much on the wage-cost rise as on the recession itself. Three congressional committees are wrestling with the problem, drawing up guide lines as to what can be done about it. Some of the means proposed are:

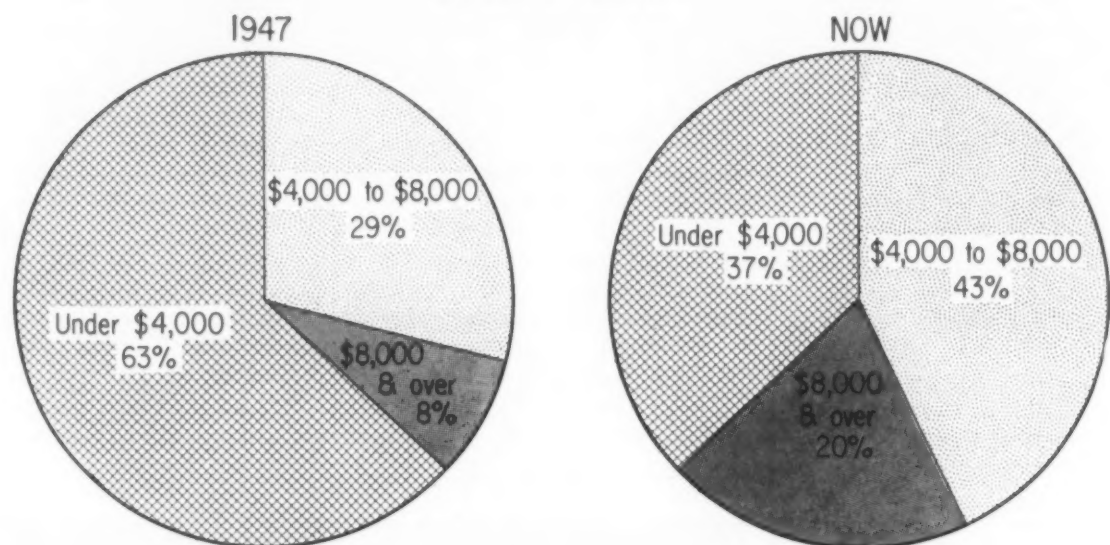
- Revision of the anti-trust laws to make it easier for the government to secure an indictment for price-fixing.
- Requiring businesses to appear before the government to justify price increases.
- Delegate powers to the Federal Reserve Board to control consumer credit.
- Allow the Treasury Department power to effect variable depreciation allowances on business taxpayers to keep business under restraint during boom times.
- Redrawing the language of the Full Employment Act of 1946 to make price stability a goal of federal policy.

## Weekly Production Records

	Latest Week	Week Ago	Year Ago
Steel ingot, thous tons	1,641	1,567	2,240
Autos, units	66,330	86,589	82,431
Trucks, units	15,578	18,001	17,519
Crude runs, thous bbl, daily aver	7,487	7,331	8,132
Distillate fuel oil, thous bbl	11,964	11,853	13,055
Residual fuel oil, thous bbl	6,857	6,607	8,003
Gasoline, thous bbl	26,438	25,679	27,476
Petroleum refineries operating rate, %	81.5	79.8	91.1
Container board, thous tons	114,444	129,416	139,165
Boxboard, thous tons	132,765	129,655	122,519
Paper operating rate, %	86.2	87.9	94.9
Lumber, thous of board ft	239,199	236,926	250,938
Bituminous coal, daily aver thous tons	1,262	1,212	1,594
Electric power, million kilowatt hours	11,000	11,316	10,936
Eng const awards, mil \$ Eng News-Rec	481.4	424.0	442.7

## FAMILY INCOME GROUPS SHIFT IN 11 YEARS

(Percent of families)



## Consumer Incomes Up in 11 Years; Family Buying Power Increases

(Continued from page 1)

Sooner or later he will, and when he does, look for an upsurge in sales. This in turn will mean a step up in production and an acceleration of your own purchasing operations.

The new study traces the income position of the U. S. population over the past ten years and comes up with some startling facts.

Where in 1947, only 16.5 million families earned \$4,000 per year and over, today's figure is up to 34.1 million—more than double.

Part of this is, of course, due to the growth of population and the great number of new families formed. But another significant part indicates basic changes in the income distribution pattern.

These basic changes are spotlighted in the pie charts above. They contrast the percentage of families in the three major income

brackets—both in 1947 and now.

Note how the "under \$4,000" group has declined from 63% of all families to only 37%. Both other income groups, on the other hand, show substantial gains.

All this has had the effect of substantially raising average family income. In 1947, the average family unit collected \$4,130 per year. Today the figure is \$6,130—a gain of 48%.

Of course, price changes must also be considered. But even if you take into account the amount of inflation that occurred in the past decade, the gain is still significant. Price deflated figures (average "real" family income) for today still shows a healthy 20% increase over 1947 levels.

Translated into more meaningful terms, it spotlights the fact that the physical volume of goods a family can buy today is about 20% more than ten years ago.

This gradual transformation of

more and more people into the middle and upper-middle income brackets has important implications for buyers, sellers, and anybody else concerned with function of preparing goods for the consumer market.

It means that "luxury-type" items like dish washers and air-conditioners have become almost "necessities" for a portion of our population.

Just how much pent-up purchasing power is available for such "big-ticket" purchases can be gleaned from another recent government report. It notes that financial savings of individuals last year was higher than any year in the past decade.

On January 1, 1958, total financial assets held by individuals came to \$484 billion. That's a resounding gain of \$133 billion—or 38% over the \$351 billion recorded in 1951.

Even if you subtract consumer liabilities the figure is still commanding. Take away the \$142 billion owed by individuals (in the form of mortgages and loans) and you still come up with potential buying power.

## New Orders Up, Output Improves

(Continued from page 1)

New York—The new order situation continues to improve and is beginning to be reflected in a better production picture, according to the N.A.P.A. business survey for May. But the report asserts that purchasing agents participating in the National Association of Purchasing Agents' monthly commentary on business conditions exhibit "no wild enthusiasm for a sharp upturn in business this year."

In fact, the May report said, "many committeemen view the immediate future with some misgivings. They believe we will have an inevitable 'summer lull,' as a result of vacations and the shutdown of auto plants for model changeovers."

The report noted, however, that many listed work backlogs that could be released in a "better business climate."

As for new orders, 36% of the reporting purchasing executives said their position is better, 45% reported no change, and 19% a decrease. "Not since the fall of 1956 have so many told of an improved situation and so few of a poorer position," the report said.

The N.A.P.A. survey first

noted a reverse in the downward trend of new order bookings last February. Monthly reports since then have noted further improvement. In commenting on the effect of new orders on production, 29% said their production is up (as contrasted with 16% last month), 51% reported no change, and 20% a decrease.

N.A.P.A. business survey committee members stated that "overall, they are paying less for the items they buy." The survey said reporting P.A.'s commented many markets are soft and competition results in price easing on more and more items.

### Little Recovery Signs In New Factory Orders

Washington—New April figures on factory new orders, sales, and inventories still show little sign of any sustained economic recovery.

On the plus side is the continued paring down of stocks to more workable levels. Manufacturers cut back inventories another \$500 million in April, about the same rate as in the first quarter. The entire cut was centered

in hard goods, mostly in non-electrical machinery and transportation equipment.

More disappointing, however, was the sharp \$900 million drop in factory hard goods new orders. It came after a one month rise recorded the previous month.

Most of the new order fall is blamed on the drop in defense contracts. It was noted, however, that a step-up in defense ordering is expected later this year.

Sales, meanwhile, continued to ease off slightly, falling only \$100 million below the previous month. That's somewhat less than the previous months.

Full details for all three series are given in the table below.

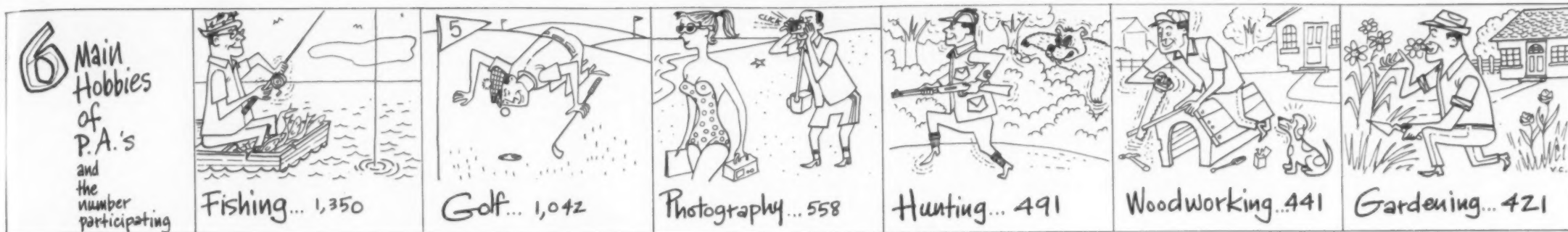
### Factory Sales, Stocks and Orders\*

(Billions of Dollars)

	1958	
	April	March
<b>Sales</b>		
Total	24.8	24.9
Hard Goods	11.5	11.7
Soft Goods	13.3	13.3
<b>Inventories</b>		
Total	51.5	52.0
Hard Goods	29.4	29.9
Soft Goods	22.1	22.1
<b>New Orders</b>		
Total	24.2	24.8
Hard Goods	10.6	11.5
Soft Goods	13.5	13.3

\*Seasonally Adjusted





## Relax P.A.'s . . . Get a Hobby

**Allmetal Screw Products  
Studies Hobbies of P.A.'s  
And Finds 191 of Them**

When their work is over, most purchasing agents turn to a hobby for relaxation, preferably outdoors.

This conclusion is based on a survey of 4,200 P.A.'s made by Allmetal Screw Products Co., Inc., Garden City, L. I., N. Y. It found that only 598 (slightly more than 14%) have no hobby. The remainder averaged 2.19 hobbies apiece. In all 191 were mentioned.

### Four Outdoor Hobbies

Of the six main hobbies (See cartoon strip above) four are outdoor: fishing, golf, hunting, and gardening; photography is as much outdoor as indoor, while woodworking is mainly indoor.

Allmetal, which makes stainless steel fasteners, started the survey last summer to develop a list of related hobbies for promotion purposes. P.A.'s wishing to reach others having the same hobby may write to the company.

The survey turned up many unusual hobbies, one was skin diving, generally considered a youngster's hobby. Hobart W. Troop, chief buyer for Minneapolis-Honeywell's Datamatic Division in Brighton, Mass., is one of 12 such hobbyists found.

Grandfather to 15 children, the 57-year-old Troop has spent the last seven years seeking relaxation and activity underwater. "I don't know how I got started in it," he told PURCHASING WEEK. "I just read about it and decided to try it." He is still trying it, up and down Cape Cod in summer and in Florida for several weeks during his winter vacation.

### Skin Diving Aids Contacts

"Some people make contacts at banquets that help them in their work. Mine are under the ocean." And he isn't kidding, for he can mention several contacts met this way that have proved useful in buying.

Hobart was responsible for a well-known Boston skin-diving club at Raytheon where he previously worked. This group has worked closely with police in locating missing bodies in waters.

But all adventurous P.A.'s do not turn to aquatics although 194 reported swimming and 21 water skiing. Others get their thrills from skiing (42), horseback riding (15), auto racing (11), hockey (11), polo (3), ice-boating (3), mountain climbing (2), and one in free ballooning (P.W., March 10, p. 15).

Three P.A.'s, after wrestling with paperwork all day, wrestle after hours. It helps clear the mind. One even goes in for Jiu-Jitsu.

Typical of the P.A. pursuing

special interests is Waito J. Jokinen, purchasing agent, Jarrell-Ash, Newtonville, Mass. He listed archeology. Always an avid reader, Jokinen was initially inspired in his hobby by reading Ceram's "Gods, Graves, and Scholars" several years ago. Since

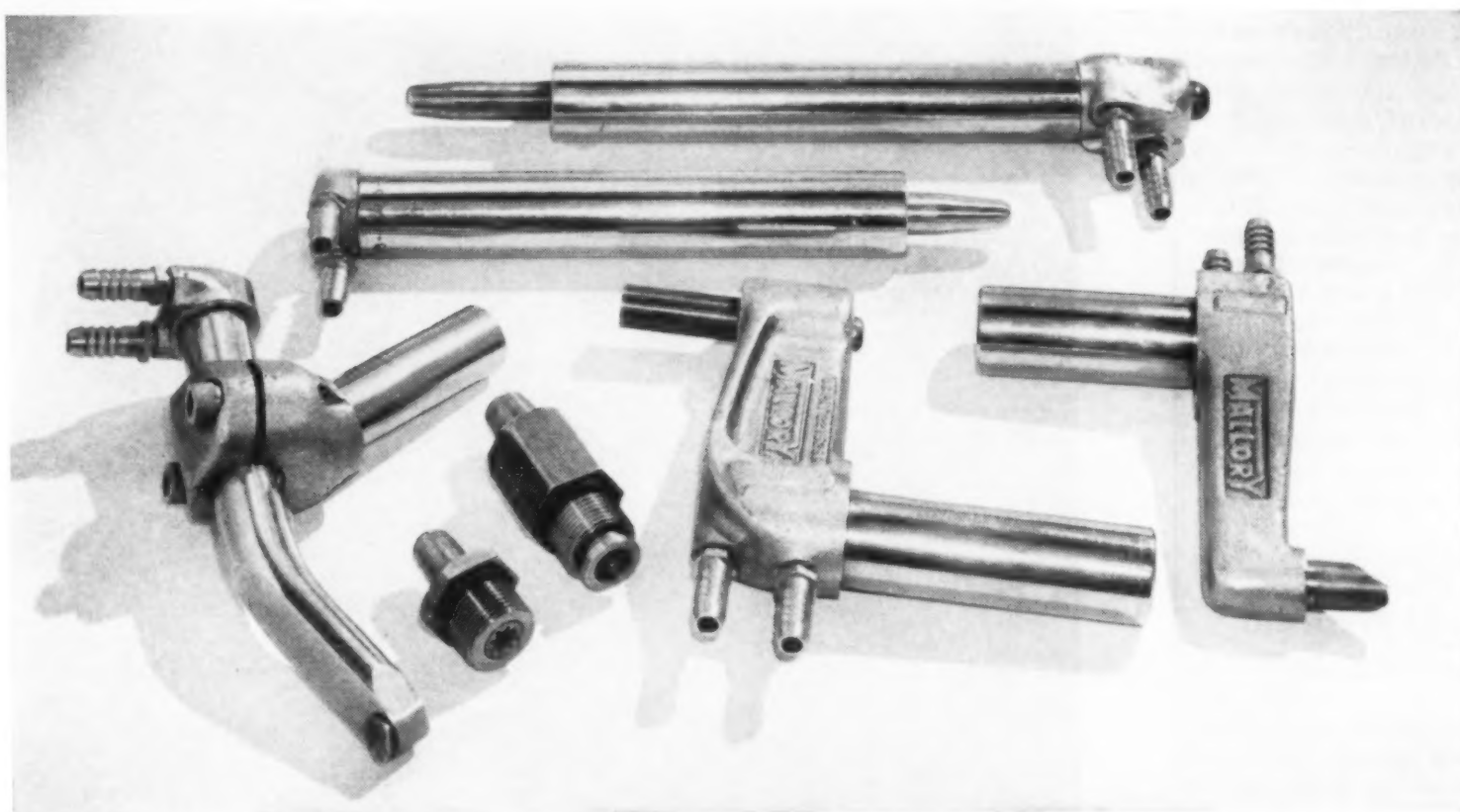
then he has developed an avid interest in the study of the past. He reads almost every book on the subject he can find. Unable to pursue this hobby in traditional fashion—his special interest is Cretian archeology—he has settled for field work in New

England, looking for old Indian relics.

Jokinen's hobby, he reported to PURCHASING WEEK, affects his purchasing activities. In dealing with people every day, he finds their compulsions and drives have not changed much over the cen-

turies. He has often followed some action he thinks an ancient citizen of Troy might have. And usually it works out well, just to prove that human nature has changed little through the ages.

Perhaps the most satisfying  
(Continued on page 6)



## New Standard Mallory Holders and Components Make 1001 Different Resistance Welding Set-ups

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## Relax P.A.'s ... Get a Hobby

(Continued from page 5)  
hobby is that of William Oraine, buyer for Litton Industries, Beverly Hills, Calif. One of 1,417 P.A.'s who follow some kind of creative hobby at home, his own special interest is lapidary—the art of gem cutting.

Oraine, a rockhound for 15 years, first began picking up rocks while in the mines of northern Ontario. Intrigued by the fact, "you never know what is inside the stone," he became fascinated. Reading books and watching professional craftsmen led to his buying a lapping wheel and other equipment for grinding and polishing his collection. Now he spends up to two weeks of spare time fashioning a brooch or stone for a ring setting. "Such an unhurried avocation is the perfect diversion from the hectic duties of purchasing," Oraine told PURCHASING WEEK.

Creativeness seems to be the most relaxing hobby for P.A.'s. Photography was the third most popular hobby, woodworking the fifth. The other creative hobbies included home workshops (91), painting and sketching (68), model building (60), arts and crafts (20), metalworking (15), sculpture (7), and ceramics (7). Altogether, 35% of the P.A.'s reported some creative hobby.

## Ruff Named President Of Detroit's P.A.A.

**Detroit**—Election of officers and a General Motors executive's discussion of ethical values highlighted the May meeting of the Purchasing Agents Association of Detroit.

John W. Ruff, American Blower Corp., was named president of the P.A. group. Ruff previously served as second and first vice president.

G.M. Vice President John J. Cronin urged the P.A. members to use honesty and integrity in all business relationships and shun all elements of "commercial bribery". He recognized, on the other hand, that agents often confront "perplexing and delicate situations," and that ethical decisions are not compulsive.

Cronin characterized purchasing as a "key element" in the nation's industrial network of manufacturers, suppliers, and sub-suppliers, and said purchasing agents played a major role in the success or failure of an individual company.

Cronin declared the purchaser



JOHN W. RUFF

to be representative of the philosophy, policy, and objectives of his company. "I know of no other facet of the business in which greater power for good can be exerted," he said. "I can think of no place in an organization where a set of proper values and a code of right principles are more influential."

## P.A.A. Head Is Speaker

**Greensboro, N. C.**—Henry R. Michel, president of the Carolinas-Virginia Purchasing Agents Association, addressed the local chapter of the National Office Managers Assn. recently.

## Milwaukee Association Gives First Fellowship

**Milwaukee**—The first recipient of an annual fellowship award of the Milwaukee Association of Purchasing Agents is Brother Leo V. Ryan, director of the evening division of Marquette University.

The fellowship is designed to assist teachers of purchasing techniques to acquire buying experience in industry. Brother Ryan will work six weeks this summer in the purchasing department of A. O. Smith Corp. here, with the company and the association sharing in payment of his earnings.



BROTHER LEO V. RYAN, right, gets fellowship from Frank A. Messar, chairman, Fellowship Selection Committee, and Pres. J. T. Clancy.





## Washington P.A.'s Elect Beetham to Presidency

Seattle, Wash.—Harry S. Beetham of Northwest Metal Products, Inc., Kent, Wash., was elected president of the Purchasing Agents Association of Washington at the May meeting.

Elected to succeed Beetham as first vice president was Henry G. Russell, Sunde & D'Evers Co. Others include: Carl G. Weber, Luckenbach Steamship Co., second vice president; M. C. Michener, Cragin & Co., reelected secretary; and Dale Bennett, Cello Bag Co., treasurer.

Wayne MacRae, Stack Steel &

Supply; Dean Bostwick, Simpson Paper Co.; and Homer Brock, Crown-Zellerbach, were named trustees, and John W. Harding, University of Washington was re-elected trustee.

## Memorial Award Given To Reiser Second Time

Portland, Ore.—Carl Reiser, purchasing agent for the Oregonian Publishing Co., received the Sam Gillette Memorial Award of the Purchasing Agents Association of Oregon at its annual awards dinner in May. The award won once previously by Reiser, goes annually to the mem-

ber who has the most points in attendance and in building membership.

"Gavalier" awards went to four members of long standing. Receiving the tie pin and cuff link sets were Logan C. Stewart, Bonneville Power Administration, a member since 1919 and only charter member still on the rolls; Fred Nowotny, who has been purchasing for Ballou & Wright for 54 years and is past president of the association; Dean W. Hoffman, recently retired from Swift & Co. after 34 years, and H. J. Amtzen, retired from Marshall Wells & Co. after 45 years.

Kenneth Schmitz was installed as president.

## Big Problem of P.A.'s Is Knowing What Management Expects of Them

Toledo, Ohio—A better understanding of what management expects of purchasing agents is one of the pressing problems in the purchasing field today, according to Russell Stark, N.A.P.A. fourth district vice president.

Addressing the annual Executives Night meeting of the Toledo Purchasing Agents Association May 15, Stark, who is director of purchases for Burroughs Corp., Detroit, said this lack of rapport that often exists between

management and the purchasing department should be attacked from both sides.

As a result of a survey conducted for the organization planning committee of N.A.P.A., Stark said that a comprehensive program should be developed to hit these key points:

- Assist top management to gain a greater understanding of the purchasing function and its proper role in material management.

- Aid purchasing agents to participate more effectively on the management team by developing a stronger management point of view, and by recognizing more fully the contribution purchasing can make to company profits, particularly through the broader functions of material management.

- Develop yardsticks which will enable top management to evaluate the performance of purchasing departments, and aid the purchasing agent to evaluate the performance of his subordinates.

"Every one of you," said Stark, "owes it to yourself and to your respective company to contribute to this program."

By analyzing and attempting to answer three simple questions, a purchasing agent can make a good beginning in such a program, said Stark. These are: What is your position in your company? Are you allowed to make decisions on purchasing matters? Are you in on the selection of vendors under all circumstances?

"I have just come from the N.A.P.A. convention in Chicago," Stark said, "and I know from my own personal experience there that in the executive committee meetings, much time was spent in going over the need for getting more understanding of just what management does expect from us."

## Denver P.A.'s Elect Grabert to Presidency

Denver—H. Robert Grabert, Eastman Oil Well Survey Co., was elected president of the Purchasing Agents Association of Denver at the group's May meeting.

Other new officers named include: John B. Turtle, Ideal Cement Co., vice president; C. W. Manning, Climax Molybdenum Division of American Metals-Climax Co., secretary; and Vincent Wagner, Central Electric Supply Co., treasurer.

Outgoing president Ernest E. Waters, Colorado School of Mines, was named national director; Guy E. Elder, William Ainsworth Co., alternate; and Oliver K. Deaton, Metal Goods Corp., director, two-year term.

## South Jersey P.A.'s Plan Outing June 17

Vineland, N. J.—The South Jersey Purchasing Agents Group will hold their sixth annual outing at the Buena Vista Country Club here June 17.

Chairman of the affair, D. Jones of Owens-Corning Glass Co., will supervise the Calloway tournament.

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## R.R. P.A. Tells Spending Rate

**Hamilton, Ont.**—A railroad industry purchasing agent told the Traffic Club of Hamilton's special "Railway Night" meeting, in May that his department spends "more than \$500 every minute."

E. A. Bromley, vice president of purchases and stores, Canadian National Railway System, Montreal, said his department spends approximately \$282 million a year on purchases ranging from a 5¢ pencil to a diesel locomotive worth \$480,000.

A sizable amount is spent for track ties, fence posts, and pilings he pointed out. C.N.R. spent about \$24 million on lumber last year, he said, noting that the system has more than 92 million wooden ties.

One of the biggest changes in the purchasing needs of the railway in the last few years has been caused by the increased use of diesel locomotives, Bromley explained.

"In 1950 we used only 456,000 bbl. of diesel oil, but last year our consumption was about 4.1 million," he said. "Our consumption of coal on the other hand dropped in the same period from 7,370,000 tons to 2,200,000."

"My department has sought constantly, and often with success," he continued, "to persuade Canadian manufacturers to make articles which we now import. We shall continue in the belief that this way we can enhance the social and economic progress of farm and forest, mine, mill, and metropolis."

## Reds Say One-Man Panel Controls Forge Shop

**London**—Entire operation of a large forge and press shop can be controlled by one man from one panel in a new Russian-devised system, according to Soviet News, English-language publication of the Russian Embassy in London.

A working model of the system, developed by the Institute of Precision Mechanics and Optics in Leningrad, has been successfully tested, and a commercial unit is being built for installation in the Ukraine, Soviet News said.

The paper reported these details of the system:

Entire shop process is reproduced on a screen, and counters show current use of operating time of each unit and how each operation is proceeding.

A photo-electric device automatically records temperature of ingots during the forging process.

Film projects are used for comparing actual operating conditions with those required at any given moment, and discrepancies detected can be corrected from the panel.

## Canadian Tariff Board Hears Fluorspar Miners

**Ottawa, Ont.**—The Canadian Tariff Board heard arguments from producers of fluorspar in Ontario and Newfoundland for tariff protection on defense and economic grounds.

The St. Lawrence Corp. of Newfoundland, Ltd., and Huntingdon Fluorspar Mines, Ltd., recommended adoption of a \$10

a ton tariff. Fluorspar now enters Canada duty free.

Both companies said that fluorspar from Mexico, Spain, Italy, and Germany is hitting Canadian and U. S. markets at prices the Canadian producers can't match because of higher wage rates.

## Copper Tag Dip Cuts Aid

**Salisbury, Rhodesia**—Because of the drop in world prices of copper, Rhodesia's most valuable export, the Rhodesian Federal Government has cut \$44,800,000 out of its five year development program originally estimated at \$385,448,000.

## India, Pakistan Agree To British Cloth Limit

**London**—Britain's textile industry, in its campaign to limit imports of cheap cotton cloth from Asia, has reached agreement in principle with India and Pakistan to fix a ceiling on their cloth exports to the U. K., the Cotton Board announced.

In March, Hong Kong said it also would restrict exports of cotton cloth to Britain provided India and Pakistan would do the same.

The next step, the Board says, is to work out ceiling figures, over which there have been "some

differences of opinion" with the three countries. This may be an over-all ceiling figure, or individual ceilings based on each of the countries' past exports to the U. K.

## Roe Buys Two Firms

**Toronto, Ont.**—A. V. Roe Canada, Ltd. has purchased two British Columbian companies, Vivian Diesels & Munitions, Ltd., and Vivian Engine Works, Ltd. They will be grouped and known as Canadian Car (Pacific) Ltd., and operated as a Pacific division of Canadian Car Co. of Montreal, a Roe subsidiary.

## Southern Rhodesia Ups Mineral Production

**Johannesburg**—Mineral production in Southern Rhodesia for the first quarter of this year was valued at more than \$18.2-million, an increase of nine per cent over the corresponding period for 1957.

Copper production showed the largest rate of increase, 293% in tonnage and 158% in value. Also, despite an expected drop resulting from the recession, the country's two leading minerals, asbestos and chrome, both showed an increase in value, according to officials.

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This Week's

# Foreign Perspective

JUNE 9-15

**Paris**—Economic and financial difficulties in this hard-pressed capital are affecting more than just the volatile political situation.

These problems are now being reflected in France's attitude toward the European Common Market. French financial wizards, pointing to "balance of payment" difficulties, are now asking for new exchange control measures, import restrictions, and further export subsidies and aids.

New requests put the five other Common Market nations on the spot. It will be for them to find some way or another of getting France out of her financial difficulties.

If they fail, it may be the ruin of the six-nation Common Market, due to begin in earnest next January with a 10% tariff cut among each of the nations. This cut is being planned as a major step to make Europe an economic power on a par with the U. S. and U. S. S. R.

Some officials here also feel the new French protectionist request may be the prelude to seeking another dollar loan from Uncle Sam.

**London**—There's hardly one of the Commonwealth countries currently powwowing in London on trade matters that doesn't have a major grouse about sagging commodity prices.

Note that most of these officials represent countries which are big producers of raw materials. Their governments and domestic producers are feeling the pinch as prices for raw materials continue to tumble.

The \$64,000 question commodity-wise is whether the Commonwealth countries concerned will make much headway in pressing for the government schemes to stabilize world raw materials prices.

It's almost a foregone conclusion that they won't. Skepticism about price-fixing commodity schemes has been growing.

It's particularly strong in Britain where the authorities are, off the record, not at all anxious to see raw material prices spurt under the influence of governmental schemes.

Reason: Britain has been one of the chief gainers from lower prices for basic commodities.

**Bonn**—West German officials see little signs of any petering out of current boom. And the latest statistics would certainly bear them out.

Industrial production figures released recently by the Economics Ministry show an April production rise of 6.5% compared to March, and an increase of better than 2% compared to April, 1957.

The new index is only about 1% below the post-war highs reached in the autumns of 1956 and 1957.

In the consumer field, autos again led the parade. April production reached 122,253 units—some 20% above year ago.

**Cairo**—Western nations as well as the Kremlin continue to court President Nasser's favor.

Now West Germany has agreed to support the economic development of the United Arab Republic by giving credit guarantees up to about \$95 million. It will cover German exports to Egypt and increased technical assistance.

The credit guarantees will be given for orders with long-term payment and will be evenly distributed over a period of four years.

## Germans to Negotiate Japanese Trade Pact

**Bonn**—Economics Ministry sources announced a West German delegation will go to Japan this fall to negotiate a new trade agreement between Bonn and Tokyo.

The last trade pact expired March 3, 1957 after a friendly dispute over the West German system of quotas on certain imports. If things go as expected, Economics Minister Ludwig Erhard would sign a pact early in October during his planned visit to Tokyo.

## Chinese Reds Claim Staggering Coal Jump

**Tokyo**—Peking radio quoted the People's Daily, official organ of the Chinese Communist Party, recently as claiming a staggering increase in coal production for next year. They predict 230-million tons on the basis of production for the first four months of 1958.

With a daily production average of

5,000 tons in April, the Chinese Communists said, Red China will be able to produce 230 million tons next year and 300 million tons or more in 1962.

Comparing with Britain's coal output of 227,200,000 tons last year, the radio said, Red China will catch up with Britain next year in view of the fact that Britain's coal production is dwindling.

## Britisher Develops Flat T.V. Picture Tube

**London**—A flat television picture tube has been developed after four years of research by Dr. Denis Gabor of Imperial College here.

The 12-in. tube, claimed to be especially suitable for color, is only 3 in. thick and has conventional electrons, phosphors, and glass. An electron gun at the top and the back of the tube shoots downwards, electrons bending around a "reversing lens." The electrons then ascend vertically in a vertical pin behind the screen.

No matter who you are ...



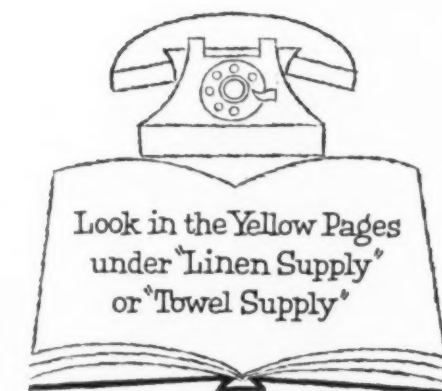
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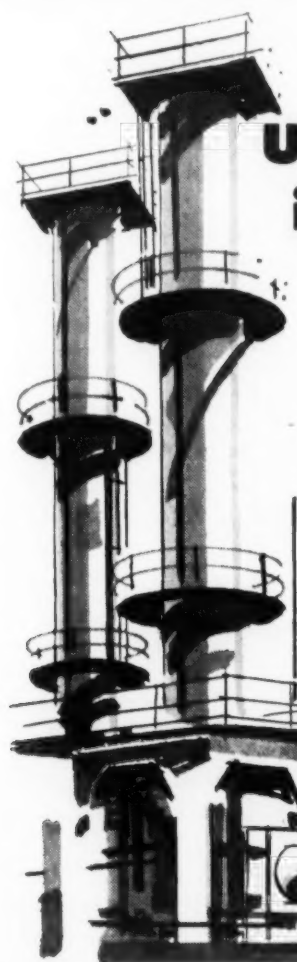


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# Purchasing Week

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Print Order This Issue 26,566

## Vacation Time Poses Questions for P.A.'s

Vacation time is almost at hand. Even if the weather in your area hasn't given solid indications that summer is approaching rapidly, there are numerous other signs.

Somewhere in your circle of business associates or friends there are a couple of proud parents who, even without the drop of a hat, have told you of their offspring (a.) graduating from high school, (b.) graduating from college, (c.) getting married, or (d.) planning a trip abroad.

Yes, no matter where you look there are signs of summer. If you look at television, you see last winter's shows being rerun "by popular demand." If you look at daily newspapers, you see overflowing society pages reporting on weddings and engagements; and, what's most important, if you look around your office or plant, you'll see many other signs of summer.

For one, there's the vacation schedule. Here's one subject everyone from the newest office boy to the top buyer likes to talk about. "Where will we go this year?" "How much will it cost?" "What kind of weather do you think we'll have?" Generally, these questions are asked with no idea of an informative answer being given. And, even if there were answers, who wants to be bothered with unimportant details when it comes to vacations?

A second sign, one that is assuming more and more importance in industry, is found in notices of closing for vacations. It's in this area that the answers to your questions are important, important not only to you but also to your company.

If your company is closing down a plant or plants, will maintenance work be done? What materials will be needed? In what quantity?

How about purchases now on order? Have suppliers been notified you will or will not accept deliveries during the closed-down period? If you are accepting deliveries, have arrangements been made and have all persons involved been notified?

As all other seasons, summer is an important time to the purchasing department. Yes, even when a plant is closed down, when, theoretically, there is no activity, it's still the purchasing department that holds the key.

How you use that key is strictly up to you. It can hang on a peg and rust, or it can open the door to efficiency and more profit for your firm.

## Hobbyland for the Purchasing Agent

"No man is really happy or safe without a hobby, and it makes precious little difference what the outside interest may be . . ."—Sir William Osler.

When it comes to hobbies, the purchasing executive apparently recognizes the value of having them. The average purchasing executive has more than two hobbies. And, even if there is no underlying significance in this fact, you'll want to look over the results of a study on the hobbies you and your fellow purchasing executives have (see page 5).

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## Reaching for the Proper Key



## Your Follow-Up File

### What Do You Think About it?

**Philadelphia, Pa.**

It has come to my mind occasionally that other P.A.'s probably feel as I do about the so-called selling on an administrative pricing basis, rather than on a supply and demand basis.

I'd like to know how other purchasing agents feel about buying from industries or companies that set a price based upon their costs and what they feel they should get for their product and hold to it.

**Purchasing Executive**

article "Producers, Users, Government Watch Copper" (May 12, p. 1) is of much interest and will be useful in the consideration of legislation pertaining to the copper industry.

**John J. Williams**  
Senator from Delaware  
United States Senate

**Washington, D. C.**

The article (P. W., May 12, p. 1) presents an interesting analysis of the situation in copper, and we appreciate your having called it to our attention.

**Royce A. Hardy**  
Assistant Secretary  
Office of the Secretary  
United States Department of the Interior

### Study Your Operation

**Cincinnati, Ohio**

Several people in our purchasing department read PURCHASING WEEK with much interest. There are many articles helpful to any purchasing department. The one I liked very much was "Time to Reappraise Your Operation?" (May 26, p. 10). It is a very good policy occasionally to study your own operation and to make changes when and wherever needed.

**C. C. Spitzfaden**  
Purchasing Agent  
Tool Steel Gear & Pinion Co.

### Interesting and Informative

**Compton, Calif.**

I would like to commend you and your staff on the fine magazine you are putting out. We find it interesting, informative, and stimulating.

**William J. Hergidan**  
Purchasing Manager  
H. C. Smith Oil Tool Co.

### We Supply An Address

**Troy, Ohio**

We are very much interested in the National Bureau of Standards development of paper with high-dimensional stability as reported by you in the last article on page 19 of your May 26 issue in the column "Product Perspective." Could you jot down the name of the particular party of the department as well as the address to whom to write to obtain more information?

**W. D. Wigmore**  
The Brown-Bridge Mills, Inc.

• You can obtain additional information from **Gerald L. McLeod and Thelma L. Workman, Paper Laboratory, National Bureau of Standards, Washington 25, D. C.**

### Well Worth the Price

**Milwaukee, Wis.**

I enjoy your "Purchasing Week Asks You . . ." column and many of the other features of PURCHASING WEEK. A subscription to this weekly is well worth the price.

**A. M. Troegner, Jr.**  
Purchasing Agent  
Line Material Co.

### Asks for Reprints

**Lima, Ohio**

In the March 31 issue of PURCHASING WEEK, pages 12 and 13, there was an article on "Learning Curve Teaches Lesson for P.A.'s". Please advise me if I may have nine reprints of this article.

**Roy L. Rumsey**  
Purchasing Agent  
Aircraft Equipment Department  
Small Motor Division  
Westinghouse Electric Corp.

### Copper Article Brings Praise

**Washington, D. C.**

The information contained in your



## PURCHASING WEEK Asks You . . .

Assuming price, service, and quality of a product are suitable from a present supplier, what might prompt you to establish a secondary source?

Question from: J. M. Shinberg, Director of Purchasing  
Yellow Cab Co. of Philadelphia



**K. H. Thomas**  
Scott Paper Co., Everett, Wash.

"The only two instances that would justify a single source of supply are where quantities are very limited or no alternate source is located. Suppliers, like customers, are subject to similar hazards such as fire, explosions, and strikes which normally interrupt their capacity to supply. Competitive processes and products are 'vital supplies' for intelligent procurement and should be encouraged."

**J. P. Kogel**  
Jordan Millwork Co., Sioux Falls, S. D.

"We feel concentration on one line is better than wide spread effort on several. Secondary sources of supply are necessary in some products to guard against strikes or disasters over which manufacturers have little or no control. A good, conscientious salesman, making steady repeat calls and selling us new ideas, also can frequently become a secondary supplier that can lead to the position of a main supplier."



**L. B. Melenbacker**  
Climax Engine Mfg. Co., Clinton, Iowa

"Probably the greatest inducement is the desire for protection against inability to deliver. Under certain conditions, quantities and tooling on individual items make this arrangement impractical but it can be done by dealing with these items and suppliers on a class or group level. Source buying also provides a foundation for cost and quality comparison and, more important, keeps performance on a competitive basis."



**E. T. Graham**  
Johns-Manville Products Corp.  
of California  
Stockton, Calif.

"A secondary source would give some assurance of supplies if the other source was forced to stop production by labor strife or by an act of God. One of the best ways to realize and maintain suitable service, price, and quality is to have more than one source of supply in the first place."



**R. B. Slone**  
Greenville Division,  
Mohasco Industries, Inc.  
Greenville, Miss.

"It is most essential that a company have a second source of supply to be assured of a continual flow of production materials. Fire, labor difficulties, etc., that can shut down the plant of a single source, can leave you just as unproductive. The spirit of competition is necessary to keep a vendor from getting too complacent and can be a deterrent to increasing prices."



**D. A. Ferretti**  
International Silver Co., Meriden, Conn.

"To say that price, service, and quality of a product are 'suitable,' without having a secondary source, is like saying you are satisfied with what you have and want nothing better. No company can afford this philosophy in this day of hard competition. Aside from being good, inexpensive insurance against risk of physical or financial disaster, a second source might well be a valuable yardstick in the measurement of price, service, and quality."



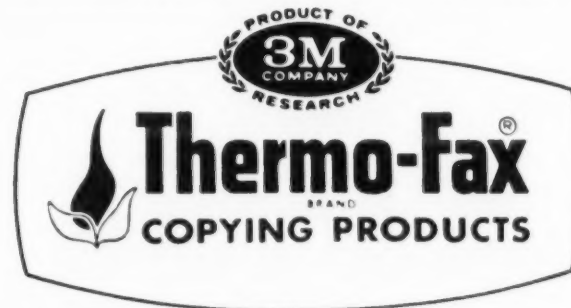
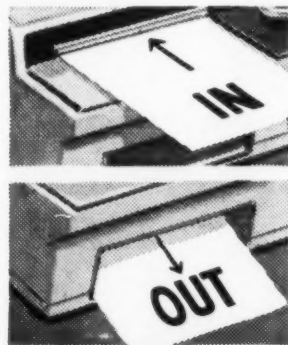
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# Meetings You May Want to Attend

## First Listing

**American Society for Quality Control**—Western Region, Annual Conference, El Cortez Hotel, San Diego, Aug. 7-8.

**American Gas Association**—Annual Convention, Atlantic City, Oct. 12-16.

**National Safety Council**—46th National Safety Congress and Exposition, Chicago, Oct. 20-24.

**National Association of Railroad and Utilities Commissioners**—Annual Convention, Westward Ho Hotel, Phoenix, Ariz., Nov. 17-20.

## Previously Listed

### JUNE

**Canadian Association of Purchasing Agents**—33rd Annual Conference, Queen Elizabeth Hotel, Montreal, Quebec, June 8-10.

**American Rocket Society**—Semiannual Meeting, Los Angeles, June 8-11.

**Society of Automotive Engineers**—Summer Meeting, Chalfonte-Haddon Hall, Atlantic City, June 8-13.

**Edison Electric Institute**—26th Annual Convention, Convention Hall, Boston, June 9-12.

**American Society of Mechanical Engineers**—National Conference on Materials Handling, Public Auditorium, Cleveland, June 9-12.

**National Materials Handling Exposition**—Public Auditorium, Cleveland, June 9-12.

**22nd National Oil Heat and Air Conditioning Exposition**—Coliseum, New York, June 9-12.

**Fourth International Automation Exposition and Congress**—Coliseum, New York, June 9-13.

**National Association of Electrical Distributors**—50th Annual Convention, Civic Auditorium, San Francisco, June 9-13.

**Oil Heat Institute of America**—Annual Convention, Park Sheraton and Barbizon Plaza Hotels, New York, June 10-12.

**American Society of Mechanical Engineers**—Semiannual meeting, Statler Hotel, Detroit, June 15-19.

**American Association of Cost Engineers**—Annual Meeting in cooperation with Case Institute of Technology, Cleveland, June 16-18.

**Second National Convention on Military Electronics**—Sheraton-Park Hotel, Washington, D. C., June 16-18.

**U. S. Department of Defense**—Trade Fair, in cooperation with Huntington Chamber of Commerce, Huntington, W. Va., June 17-19.

**American Institute of Electrical Engineers**—Summer General Meeting, Buffalo, N. Y., June 22-27.

**American Society for Testing Materials**—61st Annual Meeting and Apparatus Exhibit, Statler and Sheraton Plaza Hotels, Boston, June 22-27.

**Purchasing Agents Association of Hawaii**—Hawaii Mid-Pacific Purchasing Seminar, Hawaiian Village Hotel, Honolulu, June 23-25.

**American Marketing Association**—Annual Convention, Harvard School of Business Administration, Boston, June 24-26.

**Aviation Distributors and Manufacturers Association**—31st Meeting, Mt. Washington Hotel, Bretton Woods, N. H., June 24-26.

**Drop Forging Association**—23rd Annual Meeting, The Homestead, Hot Springs, Va., June 25-28.

**Society of the Plastics Industry**—Midwest Section Conference, French Lick, Ind., June 26-27.

**National Association of Plumbing Contractors**—National Plumbing Heating-Cooling Exposition, Pan Pacific Auditorium, Los Angeles, June 30-July 3.

### JULY

**Purchasing Agents Association of Florida**—6th Annual Purchasing Agents Institute, in cooperation with the General Extension Division of the University of Florida, Colonial Inn, St. Petersburg Beach, July 17-19.

### AUGUST

**Western Packaging and Material Handling Exposition**—Civic Auditorium, San Francisco, Aug. 11-13.

**Institute of Surplus Dealers**—Fall Trade Show, New York Trade Show Building, New York, Aug. 17-19.

### SEPTEMBER

**American Die Casting Institute**—Annual Meeting, Edgewater Beach Hotel, Chicago, Sept. 10-11.

**National Petroleum Association**—56th Annual Meeting, Traymore Hotel, Atlantic City, Sept. 10-12.

**Instrument Society of America**—13th Annual Instrument Automation Conference and Exhibit, Convention Hall, Philadelphia, Sept. 15-19.

**National Association of Purchasing Agents, 4th District**—Conference, Severin Hotel, Indianapolis, Sept. 18-19.

**Steel Founders' Society of America**—Fall Meeting, The Homestead, Hot Springs, Va., Sept. 22-23.

**The Material Handling Institute**—Greenbrier Hotel, White Sulphur Springs, W. Va., Sept. 22-24.

**Standards Engineers Society**—7th Annual Meeting, Benjamin Franklin Hotel, Philadelphia, Sept. 22-24.

**Association of Iron and Steel Engineers**—Iron and Steel Exposition and Convention, Cleveland Auditorium, Cleveland, Sept. 23-26.

**American Society of Tool Engineers**—Semiannual Meeting and Western Tool Show, Shrine Exposition Hall, Los Angeles, Sept. 29-Oct. 3.

**Purchasing Agents Association of Baltimore**—16th Annual Exhibit, Lord Baltimore Hotel, Sept. 30-Oct. 2.

### OCTOBER

**International Association of Electrical Leagues**—Annual Conference, Washington, D. C., Oct. 1-3.

**National Institute of Governmental Purchasing**—13th Annual Conference and Product Exhibit, Hotel Statler, Boston, Oct. 5-8.

**Gray Iron Founders' Society**—Annual Meeting, Sheraton Park Hotel, Washington, D. C., Oct. 8-10.

**National Association of Purchasing Agents, 6th District**—Purchasing Conference, Sheraton-Mayflower Hotel, Akron, Ohio, Oct. 9-11.

**National Association of Purchasing Agents, 7th District**—15th Annual Conference, The George Washington Hotel, Jacksonville, Fla., Oct. 12-14.

**National Electronics Conference**—Hotel Sherman, Chicago, Oct. 13-15.

**Society of Industrial Packaging and Material Handling Engineers**—National Industrial Packaging, Handling and Shipping Exposition, Coliseum, Chicago, Oct. 14-16.

**Purchasing Agents of Central Iowa**—Products Show, Veterans Memorial Auditorium, Des Moines, Oct. 15-16.

**National Association of Purchasing Agents, 8th District**—Conference, Mark Twain Hotel, Elmira, N. Y., Oct. 16-17.

**Foundry Equipment Manufacturers Association**—Annual Meeting, Greenbrier Hotel, White Sulphur Springs, W. Va., Oct. 16-18.

**Conveyor Equipment Manufacturers Association**—Annual Meeting, Greenbrier Hotel, White Sulphur Springs, W. Va., Oct. 18-21.

**National Association of Oil Equipment Jobbers**—Annual Convention and Trade Show, Hotel Adolphus, Dallas, Oct. 19-21.

**National Business Show**—Coliseum, New York, Oct. 20-24.

**Air-Conditioning and Refrigeration Wholesalers Association**—Annual Meeting, Sheraton Palace Hotel, San Francisco, Oct. 22-24.

**Petroleum Industry Purchasing Management Seminar**—Purchasing Agents Association of Tulsa in conjunction with the University of Tulsa, Western Hills Lodge on Lake Gibson, Wagoner, Okla., Oct. 22-24.

**American Institute of Supply Associations**—Annual Convention, Roosevelt and Jung Hotels, New Orleans, Oct. 26-29.

**Independent Petroleum Association of America**—Annual Meeting, Statler-Hilton Hotel, Dallas, Oct. 27-28.

**American Society for Metals**—National Metals Exposition and Congress, Public Auditorium, Cleveland, Oct. 27-31.

### NOVEMBER

**American Petroleum Institute**—38th Annual Meeting, Conrad Hilton, Palmer House and Congress Hotels, Chicago, Nov. 10-13.

**National Electrical Manufacturers Association**—Annual Meeting, Hotel Traymore, Atlantic City, Nov. 10-14.

**National Electrical Contractors Association**—Annual Convention and National Electrical Exposition, Adolphus Hotel, Dallas, Nov. 16-21.

**Society of the Plastics Industry**—8th National Plastics Exposition, International Amphitheatre, Chicago, Nov. 17-21.

**9th National Conference on Standards**—Hotel Roosevelt, New York, Nov. 18-20.

**National Retail Lumber Dealers Association**—5th Annual Building Products Exposition, International Amphitheatre, Chicago, Nov. 22-25.

**American Society of Mechanical Engineers**—Annual Meeting, Statler and Sheraton-McAlpin Hotels, New York, Nov. 30-Dec. 5.

### DECEMBER

**Automotive Warehouse Distributors' Association**—Annual Convention, Muehlebach Hotel, Kansas City, Dec. 12-16.

## List Your Meetings

Associations, societies, and committees interested in calling the attention of readers of *Purchasing Week* to their meetings are welcome to use this column. The gathering should be one of interest to purchasing agents. There is no charge.

Send announcements to: *Meetings Calendar, Purchasing Week*, 330 West 42nd Street, New York 36, N. Y.



## Industry's No. 1 choice... the V-Belt with concave sides

Here's the reason:  
the concave sides of Gates V-Belts insure far longer belt life.

Make this simple test. Bend a Gates V-Belt with concave sides (Fig. 1) as if it were going around a sheave. Feel how the sides *fill out*... become perfectly straight (Fig. 1-A). Note how this belt makes full contact with the sides of a sheave... grips the sheave evenly, distributing wear uniformly across the sides of the belt. Uniform wear lengthens belt life—keeps costs down.

Now make the same test with a straight-sided belt (Fig. 2). Feel how the sides *bulge out*, (Fig. 2-A) concentrating wear at the points shown by arrows. Uneven wear shortens belt life; increases belt costs.

Because Gates V-Belts with concave sides are so universally preferred, they are also the *most widely available*. There are Gates distributor stocks in industrial centers throughout the world.

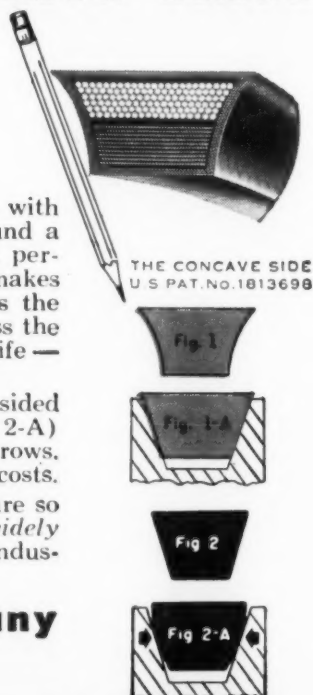
**The Gates Rubber Company**

Denver, Colorado

World's Largest Maker of V-Belts



**Gates VULCO ROPE Drives**





# 'Prolerized Steel' May Be Scrap Demanded Tomorrow by Industry

New Process Said to Turn Out Trash-Free Material; Armco Steel to Get Total Output of Houston Plant

**Houston, Texas**—Four Houston brothers have hit on a new steel scrap processing method which removes most of the non-ferrous trash which plagues buyers of No. 2 bundles.

Old auto bodies leave the Proler Steel Corp.'s scrap yard here in small pieces, virtually clean of glass, rubber, upholstery, copper wiring, and other non-ferrous junk material.

## May Change Preparation

Steelmen who have seen the operation here say the Proler process could revolutionize the preparation of auto bodies and similar scrap for the use of steel-makers. It also is expected to open a new source of scrap supply through the recovery of scrap from refrigerators, washers, and other porcelainized consumer items which heretofore have not been used because of the difficulty of eliminating the porcelain.

## Armco Wants Entire Output

So impressed was Armco Steel President R. L. Gray, Armco already has contracted for the entire output of the Proler plant for the firm's Sheffield Division at Houston. "This process is the best thing that's happened in the supply of scrap in recent years," Gray commented.

James A. Street, Armco's scrap purchaser at Houston, called the process "a revolutionary new idea with immense possibilities." And while Armco was not involved financially in developing the process, it is spending money on tests to develop fully the possibilities of the scrap material, known as "Prolerized Steel."

The Proler process' chief advantages over bundled scrap are less melting time and the elimination of non-ferrous materials and other foreign matter. The high-density end-product is handled in bulk like the best grade of scrap.

The Proler plant is a push-button operation with one man controlling the process from start to finish. The Prolers have patents pending and for the time being are keeping details of the operation top secret.

## Operation Explained

It is known, however, that old automobiles and other scrap metal move along a conveyor system through a number of continuous processes which within minutes compress and chop the metal into small fragments and separate the pieces from the trash materials. A magnetic separator also is involved along with a hydraulic press, a hammer mill, and a heat treatment. Conveyor belts move the scrap to and from the processing equipment and carry away the waste material. The clean metal fragments which emerge at the end of the production line are ready for melting. Tests have shown the material can be used in open hearth charges, the cupola process, electric furnaces, and blast furnaces.

Sam Proler, president of the firm, says the percentage of steel yield in his firm's process is in the high 90's compared with between 75 and 80% in No. 2 bun-

dle scrap presently being used.

The Proler brothers—Sam, Izzie, Herman, and Jackie—refuse to discuss price or production expense as compared with conventional scrap processing.

"It's too early since we have just gone into production," Sam said. "We are still modifying the

equipment and expanding." He said upon completion the plant will be the largest and most modern scrap processing facility in the country.

The Houston plant production is expected to hit between 500 and 1,000 tons of processed scrap daily. About 60 auto bodies make one carload of Prolerized steel.

The Prolers plan to set up additional plants throughout the U. S.

**SAM PROLER**, president of Proler Steel, shows off product of Houston plant. Automobiles and appliances are expected to furnish most scrap.



## THIS WRAPPER IDENTIFIES THE KRAFT PAPER WITH A DIFFERENCE... NEW HUDSON *Man O' War*

For best results don't just "order kraft"! Specify new HUDSON MAN O' WAR.

Though you may feel that all kraft looks alike—and, therefore, performs alike—there are many differences, potent reasons why Man O' War is a better buy: greater resistance to tearing and bursting . . . easier handling and folding . . . a smoother, brighter, more attractive finish.

And Hudson's integrated operation, from tree planting to the manufacture of finished products, assures dependable delivery, quality and performance order after order.

Unlike any other kraft . . . Hudson's new Man O' War.

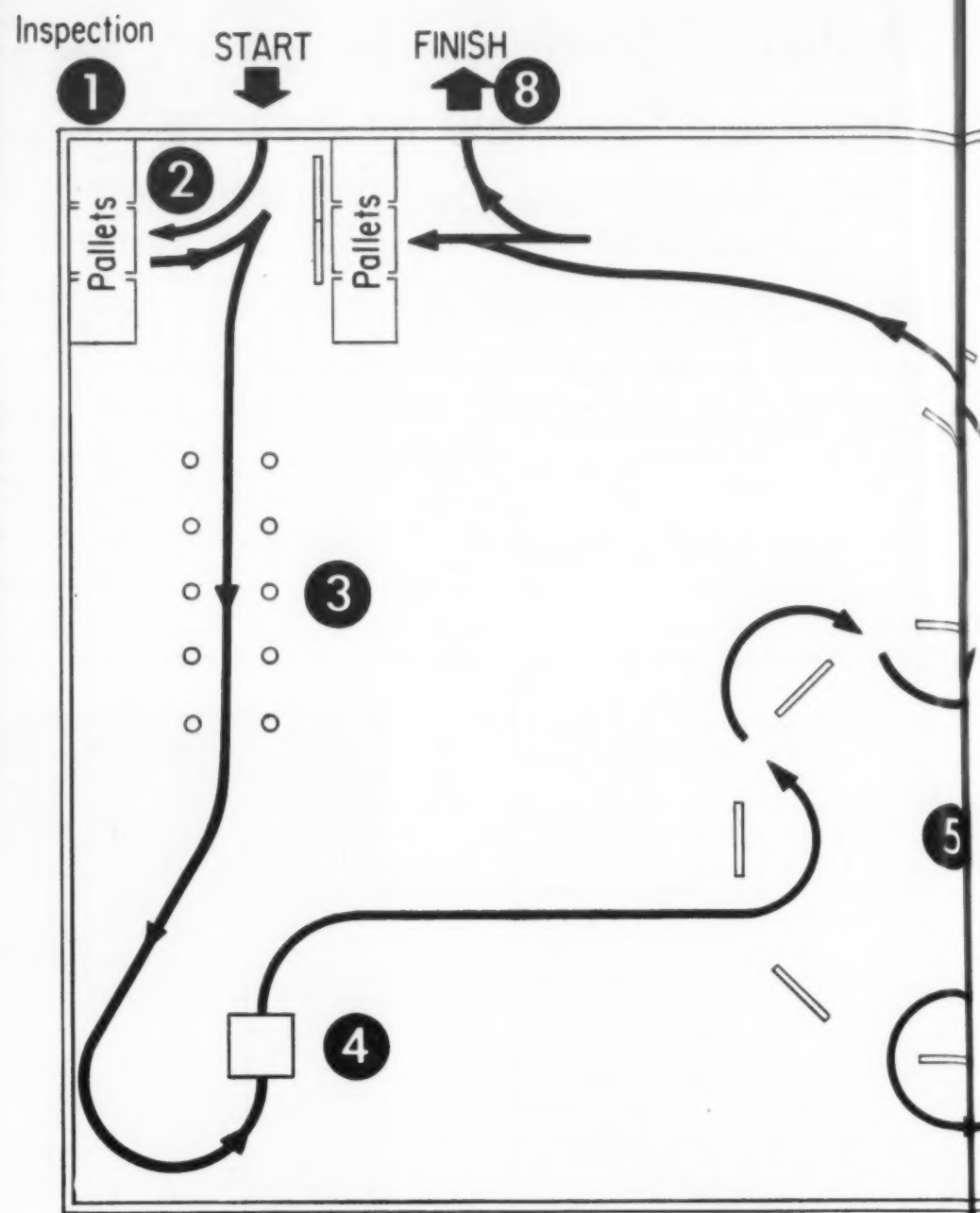
**HUDSON Pulp & Paper Corp.**  
477 Madison Ave., New York 22, New York





Judges hold dry run explaining course to rodeo contestants.

## Economy, Safety, Skill Featured At Fork Lift Rodeo Championship



Rugged course for Los Angeles rodeo was designed.



1. PRE-CONTEST INSPECTION, required by rules, covers gas and oil levels, brakes, horn, and forks. Each neglected item cost contestant five points.



2. PALLET PICKUP (2,000 lb.) is first maneuver. Above, driver approaches properly with forks well-centered.



3. STRAIGHT-LINE RUN simulates narrow run between paper cups topped with balls.



6. RACK STACKING test brings tense expression from one of two female contestants.

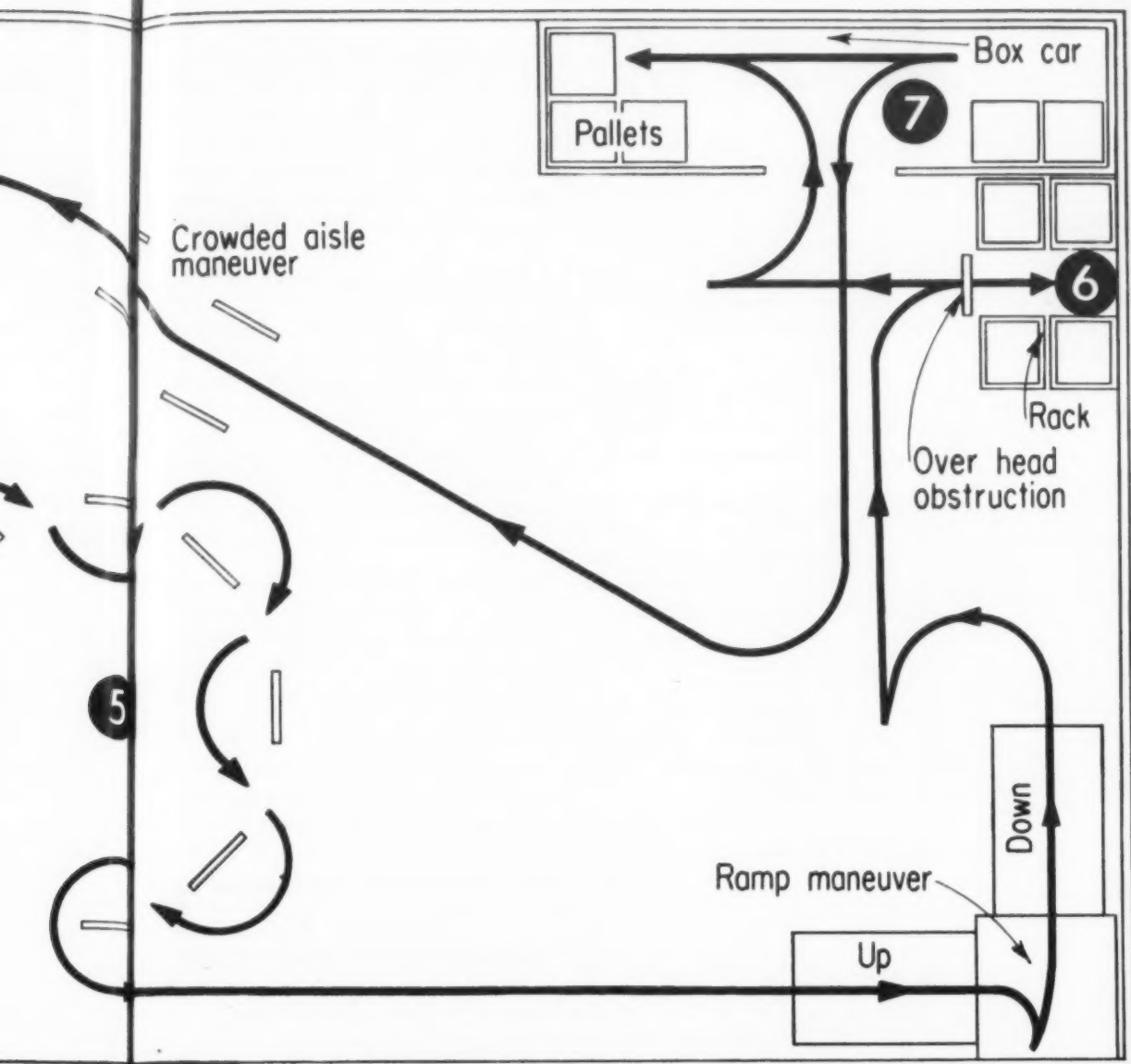


SPECTATORS WATCH favorite drivers in maneuvers. Onlookers saw 139 eliminated before Ray Paxton was crowned western rodeo champ.



7. SIMULATED BOX CAR has two inches clearance on each side. Drivers lose points if pallet touches wall or





as design by sponsor, American Material Handling Society.



Last year's champ, Clark Enoch, waits to run course.



lates narrow aisle in typical warehouse. Loaded truck rolls between with balls. Clearance on either side of pallet is only 1/2-inch.



4. AT OFFSET PALLET DROP, drivers leave straight run, make 180-degree turn, drop 48 x 48-inch pallet on painted 50 x 50-inch square.



5. WEAVING MANEUVER tests skill at driving in warehouse. Above driver toppled cups and balls.



clearance on each side of wall or boxes.



8. TIME CHECK ends course. Officials said good, safe drivers should finish in six minutes. Slower drivers lost points, but no bonus was given for beating six-minute time.



DRIVERS SCORES are posted at finish line. Champ got 1064 of possible 1140 points. Drivers lost points for unsafe driving as well as for bumping barriers, etc.



# This Changing Purchasing Profession . . .



**F. DONALD Dildine** has joined Chandler-Evans, West Hartford, Conn., as director of purchasing. **G. Kenneth Metcalfe** continues as purchasing agent. **Dildine** served as buyer with the Aircraft Engine Division of Ford Motor Co. in Chicago the last seven years.

**James A. Schlipp** has been appointed director of purchasing and traffic at Refractories Division, H. K. Porter Co., Inc., Pittsburgh. Schlipp joined the division in 1957 as traffic manager and succeeds **H. C. Smedley**, who retired May 1 after 38 years with the firm.

**James C. Brand** has been named purchasing agent of Sun Oil Co.'s newly formed Eastern Production Division, Evansville, Ind. Brand had been purchasing agent of the Central Production

Division, Evansville, before it was consolidated with the Michigan Production Division, Toledo, into the new Eastern Division.

**John J. Sinnett** has been made division purchasing agent for Pan American Petroleum Corp.'s Canadian Division with his headquarters at Calgary. Sinnett, formerly a buyer in the purchasing department of the firm's Rocky Mountain Division, Casper, Wyo., succeeds **Robert E. Tucker**, recently appointed purchasing agent for Pan American International Oil Co., New York.

**James E. Williams** has been made purchasing agent of Hyster Co.'s two Danville, Ill., plants. He had been production parts buyer for the purchasing department at the Portland, Ore., plant.

## Johnson Named Head Of Dewalt Materials

**Lancaster, Pa.**—Hugh Johnson has been promoted to the new post of director of materials by Dewalt Division of American Machine & Foundry Co. He will supervise all production control, purchasing, traffic, shipping, and receiving functions.

**Frank Zecher**, formerly assistant purchasing agent, succeeds Johnson as purchasing agent and will be directly responsible for all company purchasing.

Both men have been with the firm since 1940.

**William T. Ylvisaker** has joined Parker Kalon Division, General American Transportation Corp., Clifton, N. J., as general manager. Ylvisaker had been vice president and general manager, Commercial Division, Pheoll Mfg. Co., Chicago.

**A. L. Gray** has been advanced to director of sales for The Pfaunder Co., a division of Pfaunder Permutit Inc. of Rochester, N. Y. **Bruce T. Clarke** becomes divisional sales manager.

**Neill A. Teets** has been appointed sales manager by Chesapeake Instrument Corp., Shady-side, Md.

**James T. McFarland** has taken the post of assistant sales manager—western operations of Flexible Tubing Corp., at Anaheim, Calif. He was formerly with Transco Products, Inc.

**Thomas M. McLoughlin** has been named industrial sales manager of the New York district by Stauffer Chemical Co.

**Jerome I. Davis** has been promoted to general manager of the Aircraft Equipment Division, Consolidated Diesel Electric Corp., Stamford, Conn.

**Glenn R. Smith** has been named sales manager of Electric Service Works, Delta-Star Electric Division, H. K. Porter Co., Inc., and will headquarter at the firm's Philadelphia Works.

**Homer H. Hazelton** has been named Pacific northwest representative for Richardson Scale Co.

**Donald W. Stewart** has been promoted to Chicago district sales manager by National Vulcanized Fibre Co.

**Carl G. Link** has taken the new post of eastern regional manager with Boston Woven Hose & Rubber Co., division of American Biltrite Rubber Co., Boston. Link was formerly with The New York Belting & Packing Co.

**William R. Mundy** has been promoted to the new post of manager of stainless steel products for Jones & Laughlin Steel Corp.'s Warehouse Division Indianapolis, Ind.

**Hollis G. McLaughlin** has been appointed manager of its newly established ordnance and missiles industry sales department, by Kaiser Aluminum & Chemical Sales, Inc., Chicago.

**John A. McGuire** has been elected an executive vice president of Thor Power Tool Co., Chicago, to share a twin office with W. A. Nugent, who has held a similar post the past 10 years.

**N. W. Landis** has been named manager of the northeast region of Allis-Chalmers Industries Group, Milwaukee.

**Carl H. Foltz, Jr.**, and **Thomas M. Hankin** have been appointed field engineers by Norton Co. and assigned to the Chicago and Atlanta offices respectively.

**Richard V. Short** succeeds the late L. R. Mercer as manager of The Firestone Tire & Rubber Co.'s Richmond sales district.

**William N. White** has been named sales representative in the greater New York metropolitan area by Wolverine Tube, division of Calumet & Hecla, Inc.

**George R. Conover** has been assigned to the new post of manager of plastic products sales by the Bryant Division of Westinghouse Electric Corp., Pittsburgh.

**Walter J. Gans, Jr.**, has been made manager of the Richmond, Va., warehouse operation of Reynolds Aluminum Supply Co.

**C. J. Thompson** has been appointed district sales manager for Aeronautical and Instrument Division of Robertshaw-Fulton Controls Co. His territory includes California, western Nevada, Washington and Oregon.

**Thomas L. Denney**, formerly special assistant to the vice president-marketing, has been advanced to general sales manager at The Garlock Packing Co., Palmyra, N. Y.

**Lewis W. Lubenow** has taken the post of sales manager, semi-bulk handling department, Materials Handling Equipment Division, Delta Tank Mfg. Co. He will headquarter at the firm's New York City office.

**S. H. Schleicher** has been made general manager of the Marlow Pumps Division, Bell & Gossett Co., Midland Park, N. J.

**W. Gould Jones** has been elected vice president in charge of sales and a director of Russell, Burdall & Ward Bolt and Nut Co., Port Chester, N. Y. He suc-

ceeds **Harry O. McCully** who has been made senior vice president.

**J. G. Jimenez** has been elected a vice president of Tidewater Oil Co., New York, and appointed general manager of Eastern Division operations. **John W. Gendron** becomes assistant Eastern Division manager.

**M. A. Tardiff** has been named manager of general equipment sales for Hanson-Van Winkle-Munning Co., Matawan, N. J.

**James K. McLaughlin** succeeds **P. W. Morse** as general sales manager at Magnethermic Corp., Youngstown, Ohio. **Peter A. Hassell** takes over McLaughlin's former post, assistant general sales manager.

**Edwin B. James** has been named vice president, sales by The McKay Machine Co., Youngstown, Ohio.

**Donald Rhodes** has been advanced to district sales manager at Rochester, N. Y., by Vickers Inc.

**B. C. Lansing** has been transferred to Dallas as district manager for Harnischfeger Corp.'s Construction and Mining Division.

**Casimer W. Wojack** has been made manager of contract hardware sales by Stanley Hardware, division of The Stanley Works, New Britain, Conn.

**J. I. Ashley** has joined the General Tool Division, General Fire Extinguisher Corp., Culver City, Calif., as sales manager. Ashley had formerly been with Kenco Mfg. Co.

**James N. McEntee** has been promoted to Los Angeles branch manager by Yale Materials Handling Division, The Yale & Towne Mfg. Co.

**John M. Higinbotham** has rejoined Republic Steel Corp. as assistant sales manager of the Buffalo district.

**Dwight W. Kaufmann** has been named manager of Crucible Steel Co. of America's Titanium and Vacuum Metals Product Division, Midland, Pa.

**W. O. Brown** has been elected vice president for sales by Crane Co., Chicago. **K. L. Karr** has been made secretary and general counsel and **E. E. Wyatt** has been appointed assistant to the president for administrative planning.

**Hugo Ries** has been named western regional manager for Sturdi-Bilt, Material Handling Division, Union Asbestos & Rubber Co. and will make his headquarters in Los Angeles.

**J. L. Dunlap** has been made manager of the industrial sales department at Engineering Supply Co., Dallas.

**John S. Dietz** has been assigned the new post of general sales manager by the R. E. Dietz Co., Syracuse, N. Y. Dietz also will continue as executive vice president.

**Oscar Ahlers** has been promoted to general manager by The Sheffield Corp., Dayton, Ohio.

## Obituaries

### John C. Manley

**Chicago**—John C. Manley, 60, assistant purchasing agent for Federal Sign & Signal Corp., died May 19. He was formerly with the purchasing department of Commonwealth Edison Co. for a number of years.

### George W. Waite

**Syracuse, N. Y.**—George W. Waite, 65, commissioner of contract and purchase for the City of Syracuse died May 19. He was appointed to this post in 1943 and had been employed by the city for about 30 years.

### H. H. Foote

**Milwaukee**—H. H. Foote, 80, former purchasing agent for the Milwaukee Structural Steel Co., died May 20.

### Emil G. John

**Milwaukee**—Emil G. John, 61, director of purchases at Seaman-Gunnison Corp., died May 22. He joined the firm when it was founded in 1955.



for basic information on basic chemicals see the man from Mathieson

**TRANSPORTATION**—the flexibility of truck, rail, and barge facilities permits new economies in shipping.

**SYNCHRONIZED SCHEDULING**—keeps inventories at optimum levels.

**TECHNICAL & SALES SERVICE**—keeps you posted on the latest in storage, handling, and use of basic industrial chemicals.

5798-K

**MATHIESON CHEMICALS**  
OLIN MATHIESON  
CHEMICAL CORPORATION  
INDUSTRIAL CHEMICALS DIVISION  
BALTIMORE 3, MD.

Need corrugated boxes in volume?

See your H & D packaging engineer



**HINDE & DAUCH**  
Division of West Virginia Pulp and Paper Company  
15 Factories, 42 Sales Offices  
Sandusky, Ohio



## A P.W. Profile

### Allan W. Berg, O'Brien Corp. P.A., Likes Weekends with Sports Car

Monday through Friday of each week Allan W. "Bud" Berg sits behind a desk pursuing his dual job as plant manager and purchasing agent for the O'Brien Corp. paint manufacturing plant in Oklahoma City, Okla.

But comes Friday 5 P.M., the worries of purchasing are forgotten. Berg climbs behind the wheel of his sports car for a weekend of competitive racing or just a leisurely road tour with his fellow sports car enthusiasts.

#### Hobby a Family Affair

Berg's hobby serves many purposes. It's a family affair with wife, Mary, and his 11-year-old twin daughters, Karen and Sharon, participating and getting just as big a kick out of it as dad.

He finds it an escape from business life. It's a wonderful way to make a variety of new friends. He lets off excess steam, and best of all it's just plain fun.

Too, he finds it helps in his business because "it gives people who call on you to sell things something to talk about besides what they're selling."

"And I know it's sold quite a lot of O'Brien paint to people who do business with us because they know me," he smiled.

#### Owned First Car at 17

Driving sports cars has been a lifelong ambition of Berg, who learned to drive at the age of 12 and owned his first car—though a Model A Ford is hardly a sports car—when he was 17.

But it was shortly after he arrived in Oklahoma City from Akron "that I started to get the bug real bad. At first I just drooled and priced and talked, because I couldn't afford one."

Finally, still unable to buy one, Berg did the next best thing and built his own, a sleek buggy he tabbed the Valkyrie, a 1951 creation that has more of the "forward look" than any model on the road today.

#### First Sports Car a MG

A year later, the now 38-year-old auto enthusiast took his Valkyrie and made a \$1,000 downpayment on an MG. He was really hooked by the sports car bug from then on.

Today Berg, a native of Nekeosa, Wis., and his family own a 1955 MG and a Porsche. He has become so prominent in the field, he is now president of the Oklahoma region of the Sports Car Club of America.

Principal activity of his group is "rallies" held once or twice a month. These are family affairs, where Sharon and Karen play an important part as map readers.

Six to eight times a year Berg attends sports car races. "Racing gives the type of thrill you don't get anywhere else," grins Berg, remembering a recent victory at a Fort Worth race. "It unleashes some suppressed desires, and it's an exhilarating feeling to wring a car out."

Berg, whose black hair is showing specks of gray, holds racing licenses in Kansas, Oklahoma, Texas, and Louisiana.

He doesn't consider himself a topnotch racer, but he wins his

share of races. In January he settled his 185-pound, 5-10½ frame behind the wheel of a British Jowett Jupiter and pushed its 70-horsepower engine to first place in the small engine class at a Fort Worth race.

Berg does all his own work on his cars, "and there's always somebody bringing his over for me to have a look at."



ALLAN W. "BUD" BERG poses before his sport car. The O'Brien Corp.'s P.A. is a sports car enthusiast and enjoys racing meets.

### Avnet Corp to Operate Plant on 7-Day Basis

Los Angeles — The Avnet Corp., in an effort to supply aircraft, missile, and electronics firms as rapidly as possible, will operate its plant here on a 7-day 24-hour basis.

Robert H. Avnet, president of the electronic supply firm, said "the need for a specific component at a specific time is so great that missile firings may be delayed if delivery at any hour of the day or night is not assured and made." He contended that this swift service is "essential to the nation's security."

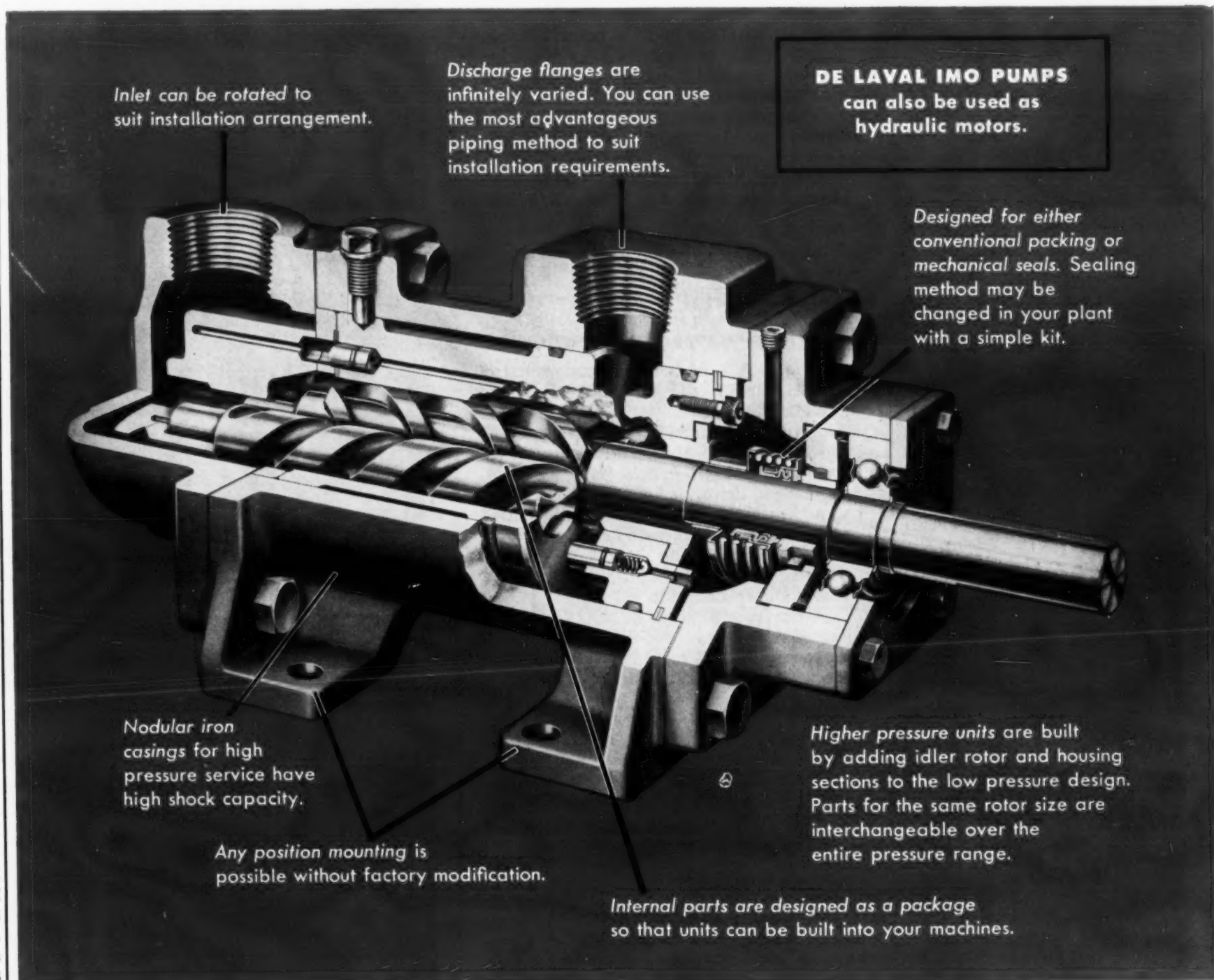
## DE LAVAL

### IMO PUMPS

*are now more versatile than ever*

De Laval IMO pumps have proved that they do a dependable job over long years of service. The reason is IMO design simplicity. These constant displacement rotary pumps have only three moving parts—smoothly intermeshing rotors that propel the fluid axially in a steady flow without churning, pocketing or pulsation. There are no timing gears, cams, valves, sliding vanes, or reciprocating parts to wear or become noisy. Quiet, compact IMO pumps are excellent for direct-connected, high-speed operation.

*In addition to these basic pumping advantages, the improved IMO gives you important new benefits shown in the cutaway illustration below.*



Inlet can be rotated to suit installation arrangement.

Discharge flanges are infinitely varied. You can use the most advantageous piping method to suit installation requirements.

**DE LAVAL IMO PUMPS** can also be used as hydraulic motors.

Designed for either conventional packing or mechanical seals. Sealing method may be changed in your plant with a simple kit.

Nodular iron casings for high pressure service have high shock capacity.

Any position mounting is possible without factory modification.

Higher pressure units are built by adding idler rotor and housing sections to the low pressure design. Parts for the same rotor size are interchangeable over the entire pressure range.

Internal parts are designed as a package so that units can be built into your machines.

Bulletin 3001 gives data on improved De Laval IMO pumps. Send for your copy today.

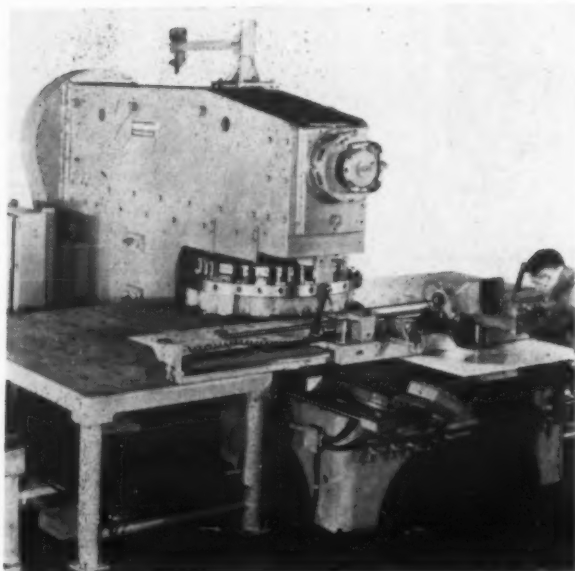


## DE LAVAL IMO Pumps

DE LAVAL STEAM TURBINE COMPANY

902 Nottingham Way, Trenton 2, New Jersey





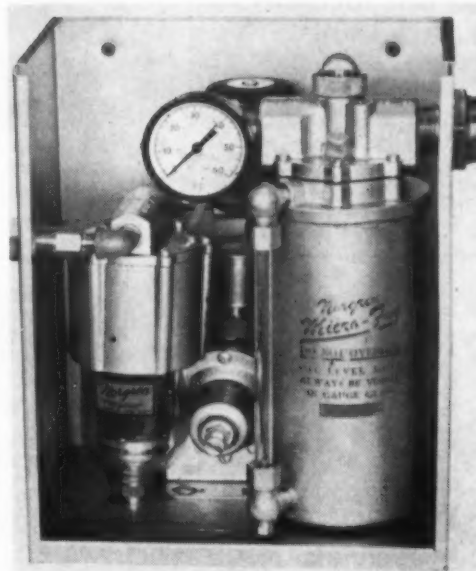
### Punch Press

#### Optical Positioning

RA-101 turret punch press uses an optical positioning system in which holes are accurately and rapidly located to a non-dimensional full size drawing and parts are efficiently pierced. Press reduces preparation time required to fabricate panels and other parts measuring up to 48x60 in. in single press handling.

Price: about \$100,000. Delivery: 10 mo.

Wiedemann Machine Co.,  
Gulph Rd., King of Prussia, Pa.  
(6/9/58)



### Lubrication Units

#### In Tamper-Proof Cabinets

Micro-fog lubrication units are enclosed in splash-proof cabinets that can be locked to prevent unauthorized personnel from tampering with adjustments. Available with 1- or 2-quart oil capacity, these units offer a choice of 32, 200, or 300 rated bearing inch capacities. A 25-micron air filter automatically removes liquids and solids from the air supply and drains collected moisture. Solenoid valve automatically starts and stops lubrication as machine power is turned on and off.

Price: \$200 (1-qt. oil capacity), \$209.55 (2-qt. capacity). Delivery: 2 wk.  
C. A. Norgren Co., Englewood, Colo.  
(6/9/58)



### Mold Release Agent

#### For Injection Molded Plastics

ReleasaGen H-15-1 is designed for use on plastic parts to be decorated. It permits decorating of molded plastic items without further preparation. Parts may be painted, vacuum metallized, hot stamped, or printed immediately, with excellent results. A mild rust preventative, ReleasaGen H-15-1 helps keep injection molds in good working condition. It does not build up in the mold and cannot foul cams or knock-out pins.

Price: \$22 case of 12 20 oz. aerosol cans (1 to 11 cases); \$7.30 (5-gal. can). Delivery: about 2 wk.

General Mills, Inc., 2010 E. Hennepin Ave., Minneapolis 13, Minn. (6/9/58)



### Flexible Nylon Coupling

#### Lubrication-Free

Flexible nylon couplings handle loads from fractional to 40 hp. and speeds from 500 to 5,000 rpm. Couplings need no protective cover. Complete couplings (1/2 in. pitch links and soft steel sprocket), or chain elements are available. Corrosion-resistant, the chain element of coupling is made of nylon segments and stainless steel pins. It can be disassembled or connected at any link.

Price: from \$8.60 (min. plain bore), from \$12.10 (finished bore), from \$23.80 (taper bore). From 1/8 to 1 3/4 bore sizes but not in all types. Delivery: immediate.

Morse Chain Co., Ithaca, N. Y.  
(6/9/58)



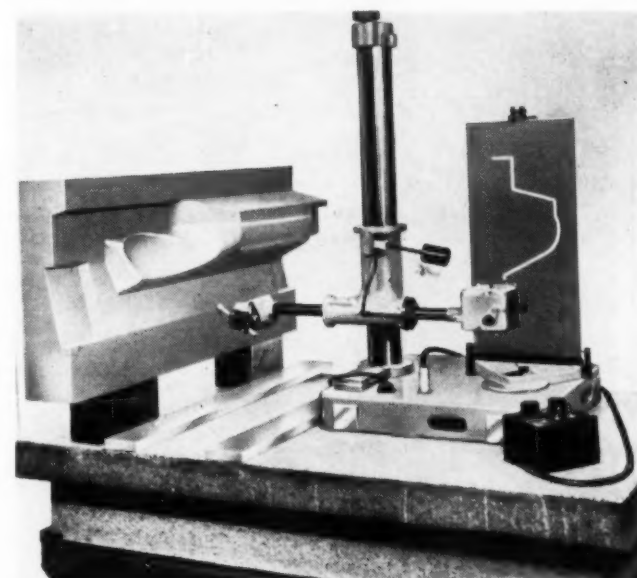
### Tumble Barrel Finishers

#### Have Interchangeable Compartments

Models V4 and V6 precision barrel finishers handle finishing operations and a wide range of varied products. Machines have 4 and 6 cu. ft. barrels with 2 or 3 interchangeable compartments respectively. Both models have 23 rpm. fixed speed drive, or an optional 12 to 36 rpm. variable speed drive. All welded construction is used, with heavy-duty self-aligning ball-bearing pillow blocks to withstand steel-ball burnishing loads and continuous production runs.

Price: from \$730 to \$1,400. Delivery: immediate.

Rampe Mfg. Co., 14915 Woodworth Ave., Cleveland 10, Ohio (6/9/58)



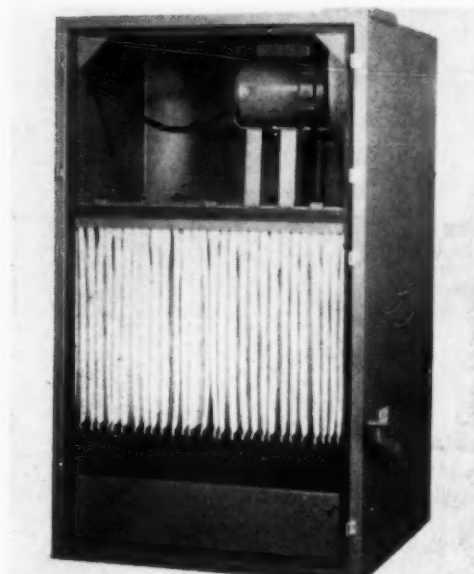
### Transcriber

#### For Permanent Records

Model 8-18 contour transcriber unit makes a permanent record on specially coated glass, of contours of master patterns, models, dies, molds, and similar parts. Transcriber is designed for rapid, semi-automatic operation and handles contours up to 8 in. deep x 18 in. long.

Price: \$3,750. Delivery: immediate.

Optical Gaging Products, Inc., Rochester, N. Y.  
(6/9/58)



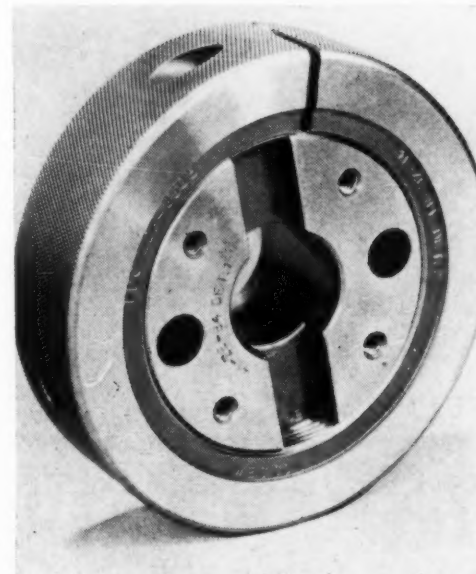
### Cabinet Filter Collector

#### Unit is Self-Contained

Model 75-80 provides a large filter area and increases dust storage space. Model provides a 4:1 ratio of moving air to filter area with 150 sq. ft. of cloth filters to a maximum 600 cfm. of air to be cleaned. Filters are of fine-woven cotton, specially treated to resist sparks. Dust storage drawer has 2 cu. ft. of capacity. Model draws dust-laden air into the cabinet from hoods at all kinds of dust sources. Heavy particles fall immediately into the dust tray.

Price: \$375. Delivery: 1 to 2 wk.

Torit Mfg. Co., 287 Walnut St., St. Paul, Minn. (6/9/58)



### Micro-Adaptors

#### Compensate for Face-Mill Wear

Precision Rigidcut milling cutter micro-adaptors eliminate the need for adjustable milling machine spindles when adaptors are specified as original machine tooling. With normal face-milling cutter wear up to 0.020 in., adjustable adaptors permit four regrinds before blades must be reset. Adjustments are made in the toolroom at time of grinding so machine down time is minimized. Adaptor-cutter blade concentricity is held to a total indicated runout of 0.0005 in.

Price: \$150 to \$400 (depending on size and style). Delivery: 3 to 4 wk.

Wesson Co., 1220 Woodward Heights Blvd., Detroit 20, Mich. (6/9/58)



# New Products

Another PURCHASING WEEK service: Price and delivery data with each product description.



## Automatic Dc. Drive

For Printing Presses

Inductrol dc. drive provides adequate overload rating capacity for cold press operation, smoother operation, and reduced maintenance. Drive is suited for application on medium-sized presses and similar installations where motors ranging from 40 to 100 hp. are used. Speed adjustment is stepless. Dc. ripple is small and constant at all speeds.

Price: about \$8,600 (30 hp.), \$9,100 (40 hp.), \$9,900 (50 hp.), \$10,800 (60 hp.), \$11,800 (75 hp.), \$14,000 (100 hp.). Delivery: less than 26 wk.

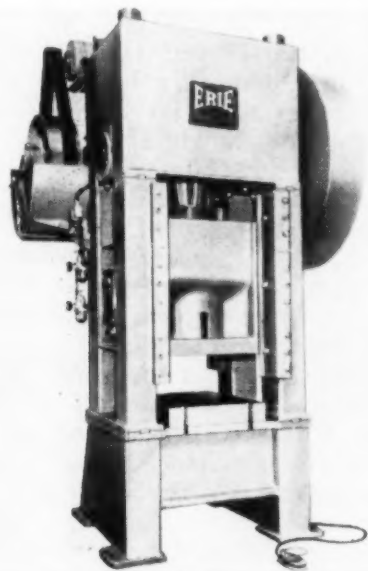
General Electric Co., Schenectady, N. Y. (6/9/58)

## Acid Battery Chargers

With Automatic Operation

Precision chargers accommodate a range of battery sizes, have controls for automatic operation, and feature protective devices for both battery and charger. Battery chargers handle any lead acid battery with a capacity between 250 and 800 ampere hours and 6, 9, 12, or 15-18 (inclusive) cells. They operate on a taper-charge principle. Charge begins with high currents and reduces automatically to low, finish-high rate currents at the end of the charging time. Reduction follows a continuous curve, rather than a series of steps. Normal charging time for a fully discharged battery is 8 hr. Ampere-Hour Selector and Finish-Rate

controls adjust charger to particular battery being charged. When charger is used for only one battery, adjustments are made the first time the charger is used and remain fixed thereafter. When charger is used for several batteries (one at a time), the controls are readily accessible for quick adjustments to suit each battery. Setting the timer starts the charger. For standard Precision Charge models, the timer setting is based on a hydrometer reading. For models with optional Exide TVR relay, timer is always set for 3 hr. and hydrometer reading is unnecessary. Either way charge is complete and automatically controlled. Price: \$390 (6 cell) to \$520 (15-18 cell). Delivery: immediate. Lincoln Electric Co., Cleveland 17, Ohio (6/9/58)

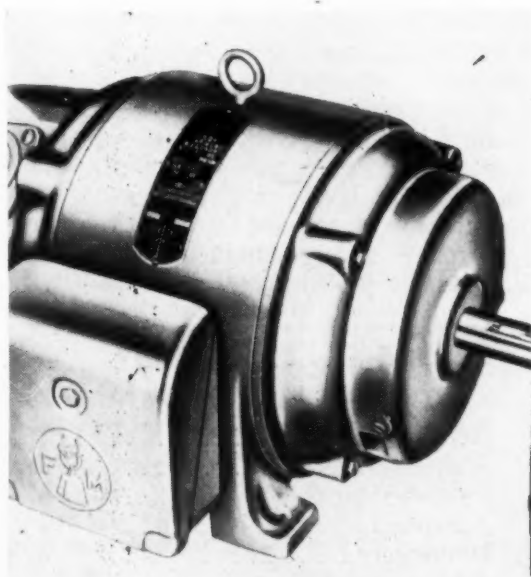


## Trimming Presses

For Trimming Forgings

Single point, straight side presses are primarily designed for trimming forgings, but can also be used for blanking, forming, and drawing operations. Press features central forced lubrication, air counterbalance, and power ram adjustment. Lubricant is forced-fed to all of the bronze bearings and guides. Pump is mounted in a recessed position to protect it from damage.

Price: about \$20,000 (150 ton), accessories extra. Delivery: immediate (150 ton), 12 to 15 wk. (other sizes). Erie Foundry Co., 12th. and Cranberry Sts., Erie, Pa. (6/9/58)



## Capacitor Motors

For High Starting Torque

Heavy-duty capacitor-start induction-run single-phase integral hp. motors provide high starting torque and operating efficiency. For starting, motors use capacitors of the dry electrolytic type designed for maximum starting torque with minimum current usage. Type WCZK single-phase 60-cy., 115/230 v. motors have drip-proof frames.

Price: from \$100 to \$375. Delivery: immediate.

Fairbanks-Morse Co., Fairbanks-Morse Bldg., Chicago 5, Ill. (6/9/58)

This Week's

## Product Perspective

JUNE 9-15

The machine tool industry is hard at work searching for ways to cut its customers' machining time and improve its products. Either way, the industry figures it has a good start in the battle to pull sales out of the current slump.

And you as a customer or potential customer stand to benefit greatly. These are some of the things fermenting in the industry:

**Numerical controlled machine tools** (P. W. Mar. 10, p 22) are a definite force both present and future. They're loaded with advantages for the job shop, for instance, where precision, frequent design change, and minimum lead-time is important. They are being used in routine jobs like jig boring, drilling, stamping, and assembly operations.

**Looking further ahead, numerical controls seem a natural for machining complex curved shapes**—for example, propellers, pump and blower impellers, radar reflectors, and airfoils. Companies that need to stock a wide range of spare parts to service their customers are studying numerical controls as a possible inventory solution.

**There's a trend, too, toward the integrated production line.** Integrated production lines appeal to companies squeezed between raising production and lowering costs while they turn out a better product.

For one thing, conventional machine tools can be used—sometimes tools already in use. Automatic material handling equipment between machines provides the integration and an overall automatic control completes the system. **It's becoming more and more obvious to many companies that this is a relatively cheap way to automate production—and in a hurry.**

**After years of little or no radical change, gun-drilling tools and techniques are in for some change.** (The gun drill gets its name from its long association with the firearms industry where it is used to produce gun bores.) Outside the firearms industry, they are used anywhere a deep, straight, and accurate hole is needed.

Most gun drills have a single groove, or flute, down their side. **Recent tests with two or three flutes indicate the possibility of higher penetration rates.** They have been successful in drilling brittle materials like cast iron.

**Another gun-drilling development is the use of portable equipment.** Chief advantage is the fact that large parts that couldn't be brought to the drilling machine can now be gun drilled.

**A shrinking work force and an expanding population say Westinghouse Electric Corp. engineers will demand more automatic machines and higher-electric powered machines in the 1960's.** Automatic machines boost output per worker. Higher power lets the machine cut faster.

**Other things coming:** more use of static switching devices (P. W. Apr. 14, p 22) for controlling machines and processes; closed-circuit TV built-into big machine tools. The latter will permit better control of cutting tools at locations remote from the operator.

**Ductile cast iron is replacing some steel and malleable iron castings and weldments in farm equipment.** Reports at a recent Society of Automotive Engineers meeting indicate that ductile iron is useful where heavier sections can't be poured from conventional malleable. Also parts made from ductile iron can be straightened easily if necessary.

One of the problems the machine-tool industry is wrestling with is how to get extremely-high machine speeds. A recent American Society of Tool Engineers conference discussed these obstacles the industry must hurdle:

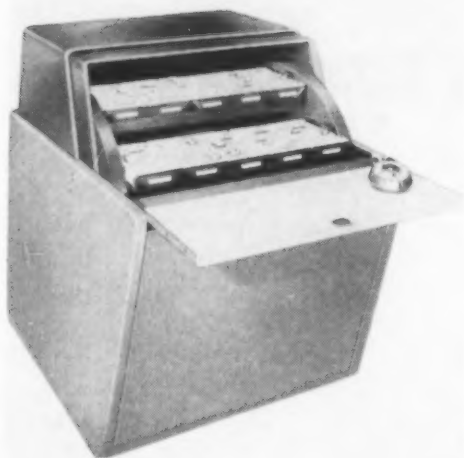
- High speeds mean high cutting-tool temperatures. Ceramic tools are only the beginning.
- Fast-rotating parts of the machine tool will have to be better balanced or vibration will make tool life practically disappear.
- New cutting fluids that absorb more heat will be needed.
- Machine power will have to keep step with metal-removal rate.
- Chips will have to be removed faster as the cutting speed climbs.
- Better methods for loading, unloading the machine, and for tool change will be needed. These factors become more important as actual machining time decreases.

Reading between the lines you get an idea of what tomorrow's machine tool will be like. It will be bigger, more rugged. It will be tied in with automatic materials handling devices. It will use new kinds of cutting tools and coolants. And it will probably cost more.



## Your Guide to New Products

(Continued from page 19)



### Rotary Files

#### With Dial Finding

Rotary file with dial-a-file control is said to make finding the right record easy. One flick of the dial, brings records to operator's finger-tips. Dial can be turned in either direction to speed records to working level by quickest possible route. Dial has eight holes, one for each record pan. It does not return to a predetermined position after dialing. All numbers can be dialed from either direction. Compression type trays are used for tabulating cards vertically horizontally.

Price: \$300 to \$1,500 (depending on form and file size). Delivery: immediate.  
Diebold, Inc., Canton 2, Ohio (6/9/58)



### Automatic Polishing Machine

#### Handles Heavy Production

Junior automatic polishing and buffing machine consists of a basic dial table with four, powered work spindles and operational manual or automatic indexing with adjustable dwell. Polishing heads are available in a choice of standard horizontal, vertical, or angled buffing wheels. Continuous abrasive belt attachments, also available if desired.

Price: from \$3,087 (hand index), \$4,095 (automatic index). Both with one head, but not including electrical. From \$3,631—2 heads, \$4,175—3 heads (hand index). Delivery: immediate.

Murray Way Corp., Box 180, Birmingham, Mich. (6/9/58)



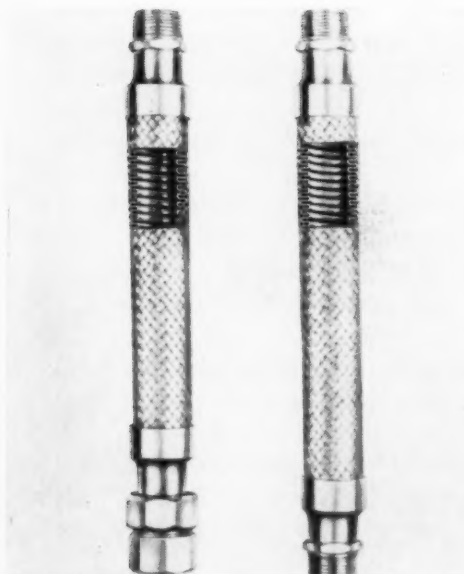
### Dumping Attachment

#### 8,000 Lb. Capacity

Rotating bin-dumping attachment is for industrial lift trucks. Attachment can handle bins ranging from 30 to 34 in. in width, 23 to 32 in. in height and up to 48 in. in length. Two hydraulic cylinders control the heavy-duty upper arms which lower to hold bin firmly in place against attachment forks for rotating and dumping.

Price: \$3,000. Delivery: 120 da.

Yale & Towne Mfg. Co., 11,000 Roosevelt Blvd., Philadelphia 15, Pa. (6/9/58)



### Bronze Flexible Connectors

#### Highly Corrosion Resistant

UC3 standard, all-metal bronze flexible connectors are designed to convey gases or fluids at temperatures up to 400 F. Connectors are completely leak proof. Outer cover is braided for extra strength. Connectors are used to simplify misaligned hook-ups and to provide a flexible connector that will compensate for expansion or vibration. Inside dia. ranges from 1/4 to 4 in.

Price: from \$5.50 to \$38.90 for 12-in. length coupling, hose I.D. from 1/4 in. to 2 in. (UC3-SMUF connector shown). Delivery: immediate.

Universal Metal Hose Co., 2133 South Kedzie Ave., Chicago 23, Ill. (6/9/58)

## Purchasing Agents Use Different Methods To Determine Servicing of Office Machinery

Emphasize Five Factors in Selecting Approach; Firm's Size, Locality, and Equipment Also Important

How does the purchasing executive determine which is the best, most efficient, practical, and most economical method to use in servicing office machines? Conversations with purchasing men who have this responsibility show various reactions as to the best way to handle the situation. They have different approaches because locality, type of equipment, type of service wanted, and size of company alter the situation.

There are three ways of getting office equipment serviced: by its manufacturer, by an independent service company, or by your own company's employees. In deciding on which one to use the purchasing agent must study at least these five factors:

1. Cost
2. Efficiency
3. Type of Service Offered
4. Versatility
5. Dependability

Taking them one by one:

• Cost, always a major point but particularly today, must be total cost. It must include such things as rent of replacement machines and cost of having work done outside the office during breakdowns, fringe benefits to company service people, rent for the quarters they occupy.

• Efficiency is a factor demanded in any service. We all want the most for our money and after requesting service in this particular case we want our machines to operate at top efficiency and offer maximum production.

Considered most are such factors as whether machines are fixed properly the first time or are return calls needed, when a machine is repaired whether it is restored to original efficiency or does it just work 90%, and whether the service man tries to make all repairs at one time or does he fix the "a" on the typewriter today and return tomorrow to fix the "c".

• Type of service offered mainly depends on the number of machines to be serviced and their usage. Variations depend on whether the P.A. wants monthly, bi-monthly, or quarterly service.

• Versatility of the man doing the servicing is important because it can be a great time saver. If one person can take care of all the equipment in an office, not just one type of machine or one make, then you not only save time but save money.

• Dependability is so great a feature because if a serviceman is not available when needed, you might just as well forget the other advantages. Unquestionably, office equipment in a non-operable condition means a loss of production resulting in a loss of money.

Let's get the three stories:

### I—Manufacturer's Story

In comparison the cost of servicing by a manufacturer is not the main advantage. He offers the regular guarantee period and follows with standard free emergency calls. In the overall picture, however, where there are many types of machines made by the manufacturer (calculating, adding, accounting, etc.) to be serviced rather than typewriters exclusively, it might prove financially more sound.

His efficiency is high. His men know the equipment inside and out. Familiarity perhaps is his biggest asset. Each service expert is trained to give the ultimate in service.

Most manufacturers offer quarterly service. They believe that such check-ups, with the proper amount of oiling, cleaning, etc., will keep machines in proper operating condition. If a customer wishes more

frequent attention, such arrangements can be made.

Versatility in the manufacturers case means the ability to handle many types of machines—not most particular makes but different types of machines. No one man knows all about all types, granted. Maybe different men will be sent up from the manufacturer with one call, but each will be an expert in his own field.

### II—Independents' Story

Lower cost is a big feature of service by independent companies. Many independent representatives feel they quote the lowest prices possible for servicing of business equipment.

Their efficiency is also high. They clean, oil, and adjust their customer's machines on a regular basis. Independent's offer quarterly service beside monthly, bi-monthly or whatever is demanded by the customer. They figure the more visits a year the less expensive. The charge is so much per year per unit, and in many cases all parts are included for repairs.

The independent is familiar with all makes of machines. They offer specialists for more complicated equipment than typewriters. A single call brings the necessary specialist.

Dependability is another source of pride to the independent. Many offer same-day service and in many cases they can be reached and come calling beyond the regular 9 to 5 business day. Distance from the independent's office is often a deciding factor. They aim to give very personalized service. By coming at odd hours and within minutes after the original request (this is mostly for emergency calls) they "build up good will" states one member of an independent service group.

### III—Company Service Story

The do-it-yourself version is a different case altogether. One must figure the number of machines to be serviced here and the size of organization most carefully. He must take into consideration the salary to be paid the mechanic and the working space that must be his.

The P.A. must also determine whether the same space could be used more advantageously for other purposes. Bookkeeping is another added expense.

Doing your own service could prove efficient depending on location of your company. A service organization might be too-distant for economical servicing.

Type of service would be a big feature. The company could get any service it wanted or demanded. The mechanic is exclusively theirs and on the grounds at all times for immediate calling.

Company service can prove practical where the mechanic could do other service chores as well as equipment repairing. This would apply mainly to small companies.

Dependability could prove a major point if the man believed he was working toward a certain goal. He could eventually head this service department and therefore work toward this point by showing many strong character signs—one being dependability.

### Where Can I Buy?

#### The Record to Date

Readers' requests	112
Staff answered	96
Published in P.W.	16
Answered by readers	14
Unanswered	2



# Profitable Reading for P.A.'s

"Reading Maketh a Full Man"—Bacon

## Human Relations

**Cases on Human Relations in Management.** By Richard P. Calhoun, E. William Noland, Arthur M. Whitehill, Jr. Published by McGraw-Hill Book Co., 330 West 42nd St., New York, N. Y. 444 pages. Price \$6.00.

The fact that human relations is a vital part of every business organization and every functional business area is nothing new. But just how important human relations is and how it applies to the various complex ways of business life is not visually clear.

Operating from field research financed by the Ford Foundation and the Business Foundation of the University of North Carolina, the authors of this book present 75 cases and their effects on human relations in varying business situations.

Among the cases covered, there are bound to be a few very closely related to most every business situation. The authors also provide the reader with a brief introduction on the concept of human relations as it applies to everyday management.

## All About Zinc

**Zinc—A Mine to Market Outline.** Published by the American Zinc Institute, Inc., 60 East 42nd St., New York 17, N. Y. 96 pages. No charge.

Easy-reading book describes a wide variety of fundamental data on zinc's history, sources, production, significant properties, and important applications. The complete galaxy of zinc uses, from coatings to pigments, are covered. The book also goes into foreign trade and tariffs affecting zinc.

Fully illustrated with photographs, charts, graphs and drawings, "Zinc—A Mine to Market Outline" describes comprehensively the full scope of the zinc industry, including many new and unfamiliar aspects of the versatile metal. The book has been updated to include latest research and production findings of value to management, purchasing executives, production and design engineers, and students.



**Threaded fasteners** are covered in combination catalog and price list. It also lists nearly 10,000 sizes, diameters, and lengths in the most commonly used metals. Copies are available from **R.E.C. Corp., Cedar St., New Rochelle, N. Y.**

**Pre-assembled fasteners** and how they can be made a part of the concept of "creative engineering"

are described in booklet, "A critical re-examination of the price-per-thousand purchase policy." Booklet can be obtained from **Shakeproof Div., Illinois Tool Works, St. Charles Road, Elgin, Ill.**



**How fork lift trucks equipped with hydraulically-operated carton clamps reduce handling time 25%** are described in Certified Survey, No. 176. Complete details regarding the economies of the new system are contained. Copies are available from **Towmotor Corp., 1226 E. 152nd St., Cleveland 10, Ohio.**

**Airmerge blending system** is described in 16-page bulletin, No. B-2. Complete Airmerge operation, including installation, blending problems and explanation of how the system's various components function is discussed. Diagrams show the blending tolerance of the mixed materials. Copies can be obtained from **Fuller Co., Catasauqua, Pa.**

"**Development and Progress**" is title of new 12-page bulletin. It describes Lincoln Molded Plastics' facilities for designing and producing any type of injection molded plastic part regardless of size or complexity. Bulletin is available from **Lincoln Molded Plastics, Inc., Circleville, Ohio.**

**Story of polyethylene packaging for textile products** is given in folder called, "It's In The Bag." The folder contains information on the types of bags which are being used as textile packages and printed design possibilities. Copies can be obtained from **Shellmar-Betner Div., Continental Can Co., Newark, Ohio.**

**Aircomatic welding wire** is described in 84-page pocket guide, No. ADC 873. Varieties of wire types, wire diameters, and packaging data is presented. It also contains technical information such as chemical composition, mechanical properties, and operating procedures. Copies can be obtained from **Air Reduction Sales Co., Div. of Air Reduction Co., Inc., 150 East 42nd St., New York 17, N. Y.**

"**Hydrogen**" is title of new 36-page booklet. Hydrogen production processes, types of plants, methods of purification, and industrial applications are described. Copies can be obtained by writing **Chemetron Corp., Girdler Construction Div., P. O. Box 174, Louisville 1, Ky.**

## FACTUAL

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"**Factual Resistor Reliability**" is title of 20-page brochure. It describes the non-destructive conditioning and testing procedures used on the company's line of high reliability precision resistors. It also outlines procedures used for temperature cycling, power conditioning, and X-ray inspection. Brochure is available from **Mepco, Inc., Morristown, N. J.**

**Special properties of NEPCO-SIL** are described in new book. Information can help purchasing agents prepare their specifications for special electric cable installations. It includes performance data, service life and physical properties, and test results. Copies are available from **Advertising Dept., National Electric Products Corp., 2 Gateway Center, Pittsburgh 22, Pa.**

**Shadograph laboratory balances** are described in 4-page brochure No. 3270. One balance for centrifuge cups and general laboratory weighing is illustrated. Copies can be obtained by writing **The Exact Weight Scale Co., 538 East Town St., Columbus 15, Ohio.**



**Hand lift trucks** are described in Circular 26B. It enables the buyer to specify the exact hand lift truck for his operation through an easy-to-follow selector chart. It also gives tips on where and how hand lift trucks are best utilized in plants and warehouses. Copies are available from **Lewis-Shepard Products, Inc., Dept. R8-12, 125 Walnut St., Watertown 72, Mass.**

**Casters, wheels and glides** are covered in 20-page catalog, No. 157-G. Installation guides, descriptions, and specifications for a full range of caster sizes and wheel types are included. Copies are available from **Faultless Caster Corp., Evansville, Ind.**

## Wilmington Legal Minds Fail To Find 'Law' Covering Bidding

### Seattle Firemen Seek Electric Cutting Tools

**Seattle, Wash.**—The Seattle fire department has asked city purchasing officials to supply it with electrically powered saws, drills, and hammers. The Seattle firemen are discarding the traditional fireman's axe.

"It takes firemen from 8 to 11 minutes to chop through a typical laminated floor under smoke and fire conditions," assistant fire chief Robert Rogers said in explaining the change. "It takes only a minute or two with an electric tool."

The Seattle fire department, which has a reputation as one of the most efficient fire fighting crews in the country, expects to have its men equipped with the new tools before the end of July. The equipment will be transported to fires by ladder trucks with three 1,500-w generators to supply power. The tools will be used not only to cut through wooden floors but through concrete walls and steel automobile bodies as well.

### Collapsible Tube Usage Up in Cosmetics, Drugs

**New York**—Use of collapsible metal tubes for cosmetics, pharmaceuticals and household and industrial products is increasing, according to the Collapsible Tube Manufacturers Council.

Shipments of the fold-up metal tubes for cosmetics, which last year rose 16.6% to a new high, scored a 13% advance in the first two months of 1958 over a like period last year, C.T.M.C. said. Tube production for pharmaceutical products also showed a 13% gain for the two-month period.

In the household and industrial category, tube production was up 7% in January and February over the same period last year, according to the Council's statistics.

**Wilmington, Del.**—The city's legal beagles have been digging for the past six weeks to find the law that requires municipal agencies to follow formal bidding procedure before purchasing equipment or awarding contracts over \$500.

It has been "law or tradition" for many years that bidding was the mandatory procedure before spending large amounts of public money.

The first hint that the law was "lost" or never existed at all came during a budget hearing for the Street and Sewer Department. Finance Committee Chairman Hubert Kenney, during a discussion of bidding, asked that someone read him the law. Nobody did.

But there was a possibility, Kenney said, that there may be a state law that applies to the city requiring bidding on construction work.

With the confirmation that six weeks of searching by the city's legal officers have produced nothing, city leaders and department heads appeared more puzzled than ever.

Kenney said he has come to the conclusion that no such law exists. If this can be determined in the near future, he will begin work on a law that would modernize the bid concept.

### British Auto Makers Sell More at Home

**London**—Along with maintaining record exports, British automobile manufacturers are selling more cars than ever on the home market. New registrations in March totalled 59,000, compared with 53,000 in March 1955, the previous peak month.

So far this year, new car registrations are running at an annual rate of 560,000. Only once before, in 1955, did registrations pass the 500,000 mark. The figures show greater effort in the home market.

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# E.E.I. Committee Suggests Plan To Control Firms' Small Orders

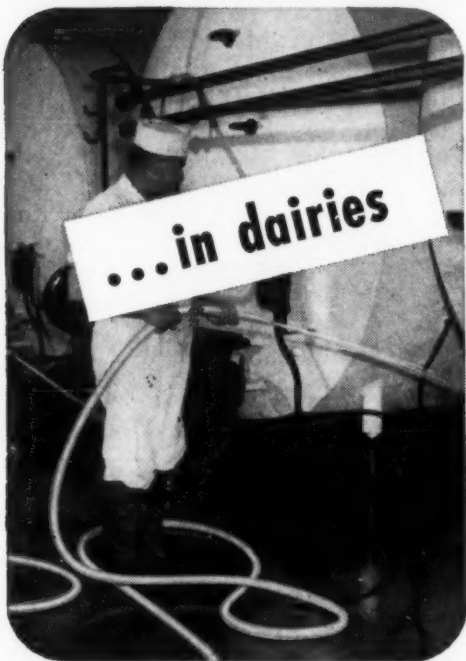
Guides to Reduce Amount Spent Annually Included in Report; Methods Are Local, Blanket, Emergency, Pickup Orders; Petty Cash

**Minneapolis**—Purchasing is often unaware of money spent on small orders. As a result, control of these orders has slipped away from the purchasing department.

At least this is true of many utility companies polled recently by a special project group of the Purchasing and Stores Committee of Edison Electric Institute. Frank M. Reinhold, group chairman and vice president of Connecticut Light & Power, told the annual meeting, every purchasing agent should ask himself these two questions:

"How much control do I actually have over small purchases?"

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"To gain greater overall savings, should I increase or decrease administrative costs?"

Working with data gathered from committee members and many companies, Reinhold's group found a wide range of systems exist for controlling small purchases. No two were exactly alike. Some members frankly admitted "Our methods leave much to be desired." Acknowledging that differences will exist because of company conditions, it was still felt that a better kind of control is needed in almost all companies, large and small.

Most companies, it was discovered, use one of five techniques to control small purchases:

1. Local orders
2. Blanket orders
3. Emergency orders
4. Pickup orders
5. Petty cash

Petty cash was used least.

But regardless of the procedure, the committee soon found out that the reason why many purchasing departments did not control these small purchases was because orders were picked up by personnel outside purchasing. The P.A. was forced to accept what bills came to him after an engineer, construction foreman, or service personnel (having no connection with purchasing) had bought goods.

### Pin-Point Reason Why

Pin-pointing the reason why P.A.'s have allowed this control to slip from them, the question was posed: "How many purchasing agents in this room know the annual dollar volume of small purchases of his company?" In the case of Reinhold's company, Conn. Light & Power, the volume amounted to just short of \$1 million annually. Annual total company purchases, excluding fuel, amounted to approximately \$35-million. Small purchases thus represent 3%.

If there is no local buyer at a field location or small plant, Reinhold's group proposed more use of storekeepers for controlling small purchases. Storekeepers, who are in a sense affiliated with the purchasing department through handling local requirements, can control small purchases by blanket or local purchase orders.

### Use Best Local Sources

If the purchasing office knows the type of local requirements ahead of time, it can determine the best local sources. Then on a yearly basis (or more often if necessary) they can negotiate with these vendors. If satisfactory, the purchasing department can issue blanket orders for the local storekeeper to use throughout the year for the supplies.

A monetary limitation (many companies use \$50.00) should be placed on blanket orders, and orders should specify materials covered. Purchasing could check invoices covering materials.

Under emergency conditions where no blanket or local order exists, the committee recommended that, "the local storekeeper should be given authority to issue emergency orders. Confirming requisitions would be later forwarded to purchasing for review."

Five arguments favoring such a plan were advanced by the committee:

1. Responsibility for material pickups is centered in a single person in each district or plant. There is no wide delegation of authority.
2. Purchasing knowledge and experience is utilized in source and material selection and negotiation. One

person at plant is trained to know materials and sources.

3. Stability of stores personnel is greater than that of engineers and others, assuring a continuity of the procurement plan.
4. Freedom to carry on own work is assured to other field or plant personnel.
5. Handling invoices in purchasing will be easier. Buyers are relieved of time required to "straighten out situations brought about by persons unfamiliar with procurement."

The special project group noted two areas of cost reduction possible through this plan. Benefits of standardization could be protected through purchasing's knowledge of local pickups. And total requirements can be handled by central stocking, even though district or plant requirements may be small.

Summing up the challenge presented by small purchases, Frank Reinhold's report to the 125 E.E.I. members attending the annual meeting stressed that:

Purchasing can control small purchases.

They can be bought at the lowest possible price.

Check first that materials bought locally are not already in local storerooms.

A local storekeeper or buyer can make full use of purchasing know-how if he handles field purchases, not other local departments.

## Baker Perkins Designs New Type Centrifugal

**Saginaw, Mich.**—The Chemical Machinery Division of Baker Perkins, Inc. has designed a new automatic horizontal-shaft, continuous filtering centrifugal for separating and washing filterable liquid-solid slurries, such as titanium sponge.

The machine, capable of handling loads up to 20.5 cu. ft. of material per batch in its 66-in. diameter drum, is powered by a 125-hp motor. Its operations are controlled by an electronic timer.

## Chase Brass & Copper Named Distributor

**Chicago**—Kaiser Aluminum & Chemical Sales, Inc. has appointed Chase Brass & Copper Co., Inc. a distributor of its aluminum rod, bar, and wire products.

Chase Brass, with headquarters in Waterbury, Conn., has warehouse facilities in 25 locations throughout the country.

## Roto Finish Co. Develops Metal Finish Process

**Detroit**—Roto-Finish Co., Kalamazoo, Mich., has developed a metal finishing process called Cor-A-Brite, which produces a bright, lustrous finish on high alloy steels.

According to the company, the entire process is completed with one chip mass in one standard barrel finishing machine, eliminating the necessity of handling parts between several different operations.

Another advantage of the process is in finishing stainless steel stampings. These can be polished to a high degree in a relatively short time cycle, and die marks present from the stamping will be removed or blended into the surface through natural, uniform grinding action of the process.

Roto-Finish claims Cor-A-Brite will produce a better surface on hardened steels than it will on unhardened steels of the same alloy.

## Franklin Supply Co. Decentralizes System

**Chicago**—Operations of the Franklin Supply Co. have been decentralized with the elimination of the firm's general sales and purchasing office here and the establishment of six similar area offices in the U. S. and Canada.

Ken Goodell will head the new Midwest area purchasing and sales office from Franklin's East Chicago warehouse. Other offices will be located in Denver, New York, Houston, Tulsa, and Calgary, Alberta.

## Packard-Bell Opens Dallas Headquarters

**Dallas**—A regional sales headquarters has been opened here by Packard-Bell Electronics Corp., radio and television equipment manufacturers headquartered in Los Angeles.

Branch manager of the new headquarters is Ernest Mortensen, formerly manager of the company's Albuquerque office. Packard-Bell manufactures for Chance Vought the communications system used in the F8U Crusader.

## Warehouse to Be Built

**Toledo, Ohio**—Pittsburgh Plate Glass Co. plans to erect a 50,000 sq. ft. distributing warehouse and office building here. H. B. Ramsay, local branch manager, says construction is expected to be completed next December.

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## Boeing Divides Purchasing Unit

Seattle, Wash. — Boeing Airplane Co. has divided the purchasing activities of its Pilotless Aircraft Division's materiel department into three areas.

Materiel manager N. W. Grigg named Ron B. Row manager of developmental procurement, M. C. Wilson manager of weapon support equipment procurement, and John R. Barnard manager of missile procurement.

Row will direct procurement activities relating to test, experimental research, and development for Bomarc programs. He will also handle procurement responsibilities for advanced-system projects assigned to the division.

Wilson will handle acquisition of weapon-system items other than the missile itself, and is also responsible for contracts for installation and checkout of equipment at Bomarc bases.

Barnard is responsible for procurement activities associated with products manufactured within the division's facilities.

## Ideal Cement Sets Goal On Limestone Expansion

Denver—Ideal Cement Co. plans to complete work in June on a \$500,000 project to modernize and expand its recently acquired limestone properties on Texada Island in Strait of Georgia, north of Vancouver, B. C.

Improvements include installation of new high capacity quarrying, crushing and screening equipment. New dock and loading facilities will be capable of handling 5,000-ton ocean-going barges.

Upon completion of the work, Ideal said, it will be "able to produce large quantities of limestone to meet any physical or chemical specifications."

## I-T-E Circuit Breaker Selects Distributors

Philadelphia — I-T-E Circuit Breaker Co. has named four distributors to handle sales and service of its line of electro-magnetic clutches.

The firms named are: Willey-Wray Electric Co., Cincinnati, Ohio; Jonco Tool Specialties, Rockford, Ill.; Machinery Electrification, Inc., Northboro, Mass.; and Lax Industrial Products Co., Cleveland, Ohio.

## Copper and Aluminum Production Cutback

New York—Two large metal producers have announced major cutbacks in copper and aluminum output. Phelps Dodge Corp. is cutting copper production at its Arizona mines another 20%—roughly 3,500 tons a month—the fifth cutback since October, 1956. And Kaiser Aluminum & Chemical Corp. shut down one of nine potlines at its aluminum smelter in Chalmette, La., May 31. Chalmette's cut is a little more than 10%, or 27,500 tons a year.

Kaiser said its latest aluminum curtailment was necessary in order to bring primary aluminum

production more closely into line with demand.

Phelps Dodge President Robert G. Page said the mine production cuts stem from industry over-production and increased inventories, along with the effects of foreign copper imports.

## Dye Plant to Be Built

New York—American Cyanamid Co. will build a multimillion dollar industrial dye chemicals plant at Bound Brook, N. J. The plant will produce methyl anthraquinone, naphthaquinone, and phthalic anhydride.

## Trans Electronics Picks Two Representatives

Canoga Park, Calif. — Trans Electronics, Inc., designers and manufacturers of power supplies and semiconductor test equipment has appointed two sales representatives.

Named were W. K. Widdekind Co. for the Pacific northwest, and the Abbott-Allison Co. for the New England states.

## Sales Office Opened

Dallas—Air Preheater Corp., makers of heat exchange equip-

ment, has located its office here in the Mercantile Dallas Bldg. The sales and service office covers the territory of Texas, New Mexico, Arkansas, Oklahoma, and western Louisiana, as well as Mexico.

## New Steel Put on Market

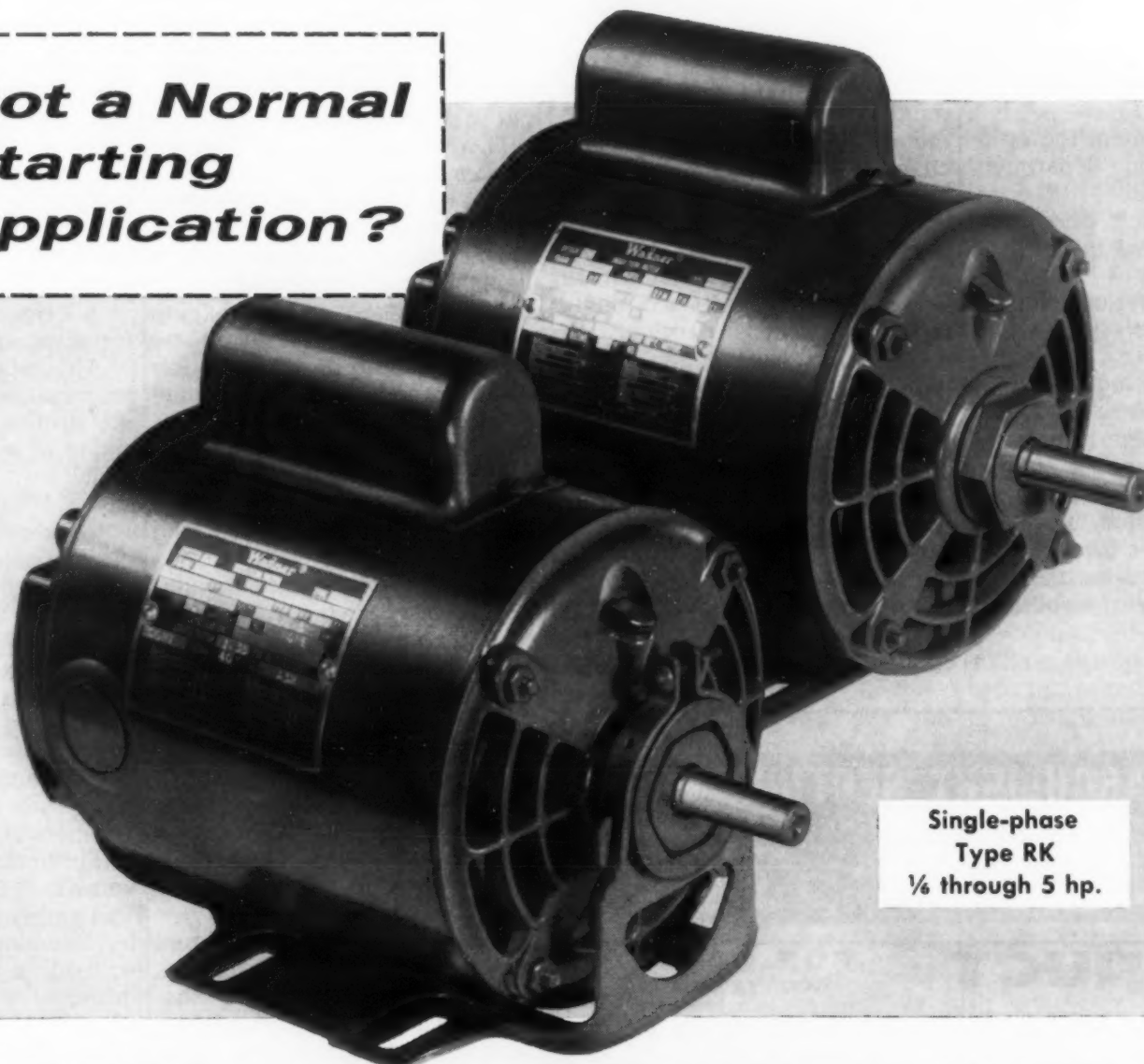
Pittsburgh—Crucible Steel Co. of America has announced its Maxel Holder Block Steel, a pre-heat-treated machined block, is available for immediate delivery from warehouse stock. The steel is available in a full range of sizes for die casting and plastic holder blocks.

## Archer-Daniels Starts Aliphatic Amines Output

Minneapolis—After five years of research, Archer-Daniels-Midland Company has started semi-commercial production of primary aliphatic amines, fatty nitrogen compounds with many industrial and chemical applications.

Manufactured at ADM's Wyandotte, Mich. plant, the amines are available through the company's development department. These are the first in a series of fatty nitrogen chemicals the firm will produce. Others are in the research and development stage at this time.

**Got a Normal Starting Application?**



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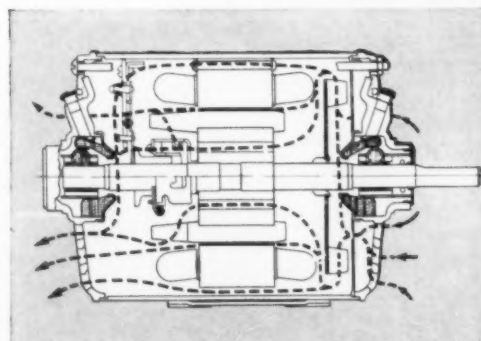
## WAGNER CAPACITOR-START MOTORS provide dependable starts... long troublefree life

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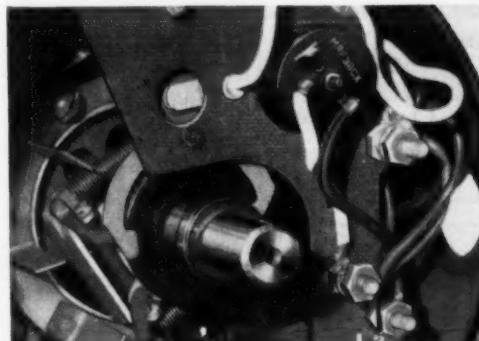
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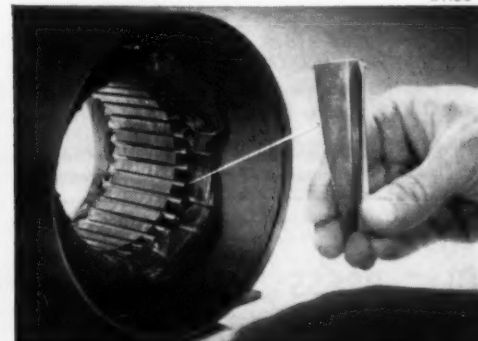
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# Redmond, Western Electric Seek Suppliers' Cost Cutting Ideas

Both Concerns Use Displays to Encourage Vendors' Suggestions; Result Is Dollars Saved

Getting suppliers into the cost-cutting act is a favorite pastime these days. It can pay the same type of dividends for the Redmond Co., a Michigan electric motor manufacturer, as for a billion dollar corporation like the Western Electric Co.

The purchasing departments of both Redmond and Western Electric are using lobby displays to encourage salesmen to suggest ideas for cost reduction on purchased items. Similarity between the two programs ends just about there, but the goal is the same—\$\$\$ saved.

Compare the two plans described in the stories below.

**New York**—"Teamwork" is a password to savings in the opinion of the purchasing department at Western Electric.

Western Electric's purchasing organization decided to point up cost reduction cases which resulted from cooperation with the company's suppliers and engineers.

All its purchasing locations throughout the country responded with specific cost reduction cases for illustration.

Display boards and 9,000 giveaway booklets entitled "Purchasing Welcomes Your Ideas," were worked up by the department to illustrate a number of significant cases.

The display boards were

erected and booklets provided in the purchasing departments of Western Electric's 22 manufacturing locations and booklets placed in all its 32 distributing houses.

"Suppliers have been enthusiastic," a Western Electric executive told PURCHASING WEEK, "and the booklets are of interest to our own people as well. Last year we printed 6,000 copies, and they were all taken. This year's revised booklet has a print order of 9,000, and we expect we will have to print more," he said.

The initial idea, formulated in 1955, was to display how the purchasing department has saved money. The theme now has changed to stressing cooperation and teamwork of Western Electric's purchasing departments, its suppliers, and its engineers.

An example of how teamwork in the elimination of a seemingly insignificant item pays off in dollars occurred at the Hawthorne, (Chicago) plant. The purchasing department there noted that side holes at each end of a ladder track section were not used for suspension as had been supposed but to install a rubber bumper in one end of the track. With the cooperation of the engineering organization, and the supplier, one set of holes was eliminated, with resulting sav-



"PURCHASING Welcomes Your Ideas" is the title of Western Electric's lobby display boards and booklets, pointing up cost reduction examples made possible through cooperation of WE's purchasing department, its engineers, and its suppliers.

ings of \$7,700 annually.

There were some higher bracket savings too.

Annual savings of \$100,000 were brought about thusly: Western Electric's telephone booth suppliers had been using five separate containers for packaging each booth. W.E.'s telephone packing methods organization worked with headquarters purchasing and suppliers in designing a multiple package permitting six booths to be packed in three boxes.

Western Electric's purchasing department plants to continue publishing the booklet and redesigning display board periodically, featuring the most recent cost reduction cases. The company feels that a free exchange of ideas is indispensable to industrial progress.

**Detroit**—A \$50 lobby display of purchased components is expected to pay big dividends for Glenn L. R. Baumhart, director of purchases for the Redmond Co., Owosso, Mich.

The company makes fractional horsepower electric motors, mainly for the appliance industry, and regularly purchases about 2,000 different parts. This large number, however, breaks down into 200 basic groups. The items within a group vary mainly in size.

Idea of the display is to encourage vendors waiting in the lobby to suggest cheaper alternate materials and manufacturing methods. The suggestion

award in this case would be an order.

Items on display will be rotated once a month to coincide with the average visiting frequency of vendors. The first 16 exhibits were deliberately picked as offering the most fertile field for improvement.

Although it is still too early to measure vendor reaction to the display, particularly the reaction of a vendor who sees one of his own products on the cost analysis carpet, Baumhart has set up some ground rules to handle suggestions.

Salesmen will be on their own in quoting on the part. An engineering conference is invited and prints of the existing part are readily available, but the price charged by the current vendor will not be disclosed under any circumstances. All Redmond buyers must fill out a three-part questionnaire giving vendor reaction to the display, whether favorable or not.

An obvious possibility studied by Baumhart while the project was still in the talking stage was including a few "make or buy" items. However, this idea has been temporarily abandoned to avoid arousing employee resentment.

Having switched from engineering to purchasing only five years ago, Baumhart admits an uneasy feeling that "I sometimes do too much of the talking when a salesman is in my office. Maybe this display will help to even

out the communication line as well as engender some free value analysis for Redmond."

Softspoken Glenn Baumhart sits before a framed motto that starts out: "We like salesmen . . ." But this doesn't change his recession-born awareness that "it may be time for P.A.'s to forget their objection to playing one vendor against another."

## Concern Changes Name

**Allegan, Mich.**—Rockwell Spring & Axle Co. has changed its corporate name to Rockwell-Standard Corp. The Blood Brothers Machine Division, manufacturers of universal joints for truck, industrial, and agricultural applications will be known as the Universal Joint Division, but "Blood Brothers" will be retained as a trade name.

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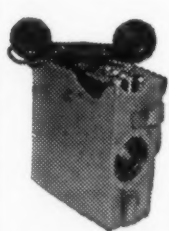
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"WELCOME to our Vendors" is the greeting atop the display shown to varnish salesman D. J. Clark and Republic Steel metallurgical sales engineer L. C. Miller by Redmond Purchasing Director Glenn L. R. Baumhart, left. The display board invites suggestions for cost reduction on any of Redmond's purchased components.



# Purchasing Perspective

JUNE 9-15

(Continued from page 1)

rent surge of hedge-buying to beat the expected \$5-6 price increase loses steam. Unless there's a sudden and unexpected jump in buying for July delivery in the next week or two, July could be the worst month of the year for many producers. A drop in the national operating rate from its present 60% level to the 50's or even high 40's would reflect not only elimination of present price buying but also plant-wide vacations by many companies in the metal industries.

But the current order flurry already has taught some steel buyers that temporary, but unexpected pinches in the market can upset delivery schedules. It pays to watch the market closely.

Producers look for steel consumers to continue their current inventory cutting policies through July and August. However, they are optimistic for another upsurge late in August and September. The fond hope is based largely on assumption that steel consumption is currently outrunning steel shipments by from 10 to 15%.

The aluminum industry has all eyes glued to Detroit. General Motors last week allowed peeks at three experimental aluminum V-8 automotive engines which had been kept under wraps for several years. The aluminum versions weigh about 39% less than standard engines of comparable displacement and horsepower. Main practical problem, according to G. M. technicians, is finding a wear resistant cylinder bore material at a reasonable price. But there was a hint aluminum alloys have been found with wear resistance superior to cast iron.

The announcement prompted a gleeful comment by Reynolds sales chief that when aluminum engines are adopted by the auto industry, the single application alone will amount to more than a billion lb. of aluminum per year.

One swallow doesn't make a summer, but it usually means that cold winter is far behind. That may be the best way to interpret the latest figures on new orders for non-electrical machinery from the McGraw-Hill Department of Economics.

This index has risen for the third month in a row. It now stands at its highest point since last September. The fact that this "one swallow" doesn't mean a summer of recovery is evident from the fact that the index in April was still 7% below the year-ago level. But the 10% seasonally adjusted rise between March and April could mean that the economy is beginning to pick itself up without drastic government action.

The implications of this rise in non-electrical machinery orders is quite significant. It means that buyers of this machinery—makers of cars, trucks, appliances, as well as industrial goods—are anticipating increased consumer and industrial demand.

But remember this: Most machinery ordered now will not be delivered and used until sometime in 1959 because of necessary production lead times.

## Employment Up; G.O.P. Confident

(Continued from page 1)

cheered by the fact that unemployment had worked itself below the five million mark, declining by 200,000 in the month, to 4.9 million.

The experts were caught by surprise when the figures came out. The employment situation generally remains unchanged from April to May and they had not been expecting anything like the improvement shown.

It went a long way to restoring G.O.P. confidence for the November elections after the jolt they received earlier in the week when Senate Republican Leader William Knowland was outpolled in the California primary by Democrat Pat Brown, the state's attorney general.

Many government economists now were saying flatly that the downturn in the economy was ended or would be before the month was out. Not only did unemployment drop to 4.9 million, the total hours worked and over-

time increased during the month.

This latter fact was important for two reasons: It meant that workers were receiving bigger paychecks with which to buy goods and, secondly, that industrial production, which had been declining since last August, undoubtedly turned up in the month.

Especially encouraging was the definite improvement in the critically important manufacturing area. Factory employment declined 60,000 for the month, but this was just about the seasonal drop expected in May. This compared with the decrease of 271,000 in factory jobs.

The bulk of the rise in employment came in the agricultural sector, where 750,000 persons found new jobs. The building boom accounted for 217,000 persons added to construction payrolls in May, the third month in a row this industry took on more than the usual number of seasonal workers.

## Pay Hikes May Up Steel Prices

(Continued from page 1)

for increased federal protection against imports of metal from "subsidized or state-owned foreign" producers.

Aluminum thus moved into the metals price spotlight last week along with copper, lead, and steel. Custom smelters raised their copper price 1/4¢/pound for the third time in two weeks, and foreign lead offerings forced a half cent reduction to an eight year low of 11¢/pound.

In steel, most consumers have shied away from placing hedge orders during the past few weeks in anticipation of the expected July increase. But speculative buying was a vital factor, none-the-less, in the steady six week climb by steel production rates from the year's low of 47.1% in late April to the current 60%, up approximately 27%.

Steel sales officials and market analysts in steel centers estimate that roughly 10% of current steel buying and shipments is predicated on the price boost possibility. They credit the remainder of the production climb to miscellaneous demand and efforts to correct unbalanced inventories.

### Hedge Buying Preceded Hike

It was recalled that a year ago, when the steel industry was chugging along in the high 80's production bracket during May and June, hedge buying preceding the general price increase which averaged \$6/ton, accounted for only about 5% of shipments, according to "educated" guesses.

The relatively small segment of steel customers who regularly try to beat the price deadline is hard for sales officials to identify except when orders read "must be shipped by June 30 or cancelled."

While the current production flurry is expected to peter out in July, the combination of factors producing the upturn has been sufficient to produce a situation in which some customers are not going to get the same fast deliveries to which they have become accustomed during the past year. Some orders with three-week dead-lines already have been turned down, according to Cleveland production sources.

Quick deliveries have been made in large part from mill inventories of semi-finished products which now have been rapidly depleted or already earmarked for early delivery. That means many orders have to start at the smelting stage.

A cross-country spot check of steel consumers and warehouses showed a definite reluctance to "speculate" on a steel price rise.

Additional buying now "would not be economically sound... handling, storage, and obsolescence (deterioration) costs militate against it," a Ford spokesman is Detroit said. A General Motors purchaser commented: "We don't play the market."

In Dallas, purchasing agent L. C. Schoenstein of Glitsch & Sons (manufacturers of oil, construction, and chemical processing machinery) said flatly: "We are buying as we require it. We don't have the price increase yet, and we don't know definitely if there will be one or what it will be."

## Anti-Trust Cases Hit Industries; Oil Firms, Other Concerns Named

(Continued from page 1)

oil and gasoline in violation of the Sherman Act.

Humble Oil & Refining triggered the increases on January 3, 1957, when it announced it would pay an additional 25 to 45¢ per gal. for various grades of Texas crude. Most other oil purchasers soon followed Humble's action, and later the price of gasoline rose about 1¢ per gal. The increases came during the Suez Canal crisis when U. S. oil companies were engaged in an emergency oil lift for Europe. The oil companies defended their action as needed to meet rising production costs during a time when oil demand was strong.

### Charged Conspiracy

Charging the companies conspired unlawfully to raise and fix prices throughout the country, the federal grand jury charged the conspiracy began when the firms agreed to post increased crude prices in a 12-state producing area and agreed to boost gasoline prices in the District of Columbia and 43 states (California, Oregon, Washington, Nevada, and Arizona were excluded from the indictment).

The indictment strikes at a long time oil industry practice which permits the purchasing company—rather than the actual oil producer—to set the price for crude oil. Officers of the indicted companies have denied the charges and assert the firms will be cleared.

In a civil anti-trust suit, the Justice Department charged four Swiss-controlled companies with price fixing in the sale of dye-stuffs, used in textiles, leather, plastics, colored paper, inks, and soaps. The action, filed in New York City, named Ciba Co., Inc.; Geigy Chemical Corp.; Sandoz, Inc.; and Thoms River-Cincinnati Chemical Corp.

According to the government, the three firms buy 60% of their requirements from Thoms River, and annual sales of the three total more than \$34 million, roughly

20% of all dye-stuffs sold in the U. S.

Another civil suit filed in federal court in Brooklyn charged the Chas. Pfizer & Company violated anti-trust laws in the manufacture, distribution, and sale of citric acid. The government said Pfizer handled \$14.7 million in sales of acid annually—90% of the industry—and asked for immediate injunctive relief.

Pfizer President John E. McKeen vigorously denied the charges and specific allegations that the company has restrictive contracts with customers and distributors or cartel agreements with foreign companies. Calling the government's statements "inaccurate and misleading," McKeen pointed out Pfizer's development of a fermentation process made possible a 75% price reduction. He said, "Pfizer has done nothing to monopolize the production and distribution of citric acid," adding that, "others have always been free to develop and use the same or other fermentation processes through research just as Pfizer did."

In Salt Lake City five complaints asking \$8,850,000 in damages were filed against Union Carbide Corp. and four former subsidiaries and the Vanadium Corp. of America.

The complaints, filed by several western firms and a group of ore miners, charged the defendants conspired to eliminate competition by controlling ferro-vanadium and vanadium oxide production in the United States in violation of federal anti-trust laws.

In San Francisco, a complaint filed in 1949 against the same defendants by one of the Salt Lake City complainants went to trial in U. S. district court. Union Carbide officials in New York declined comment on the new complaints but pointed out that a federal court jury in Denver had returned a verdict of innocent in an earlier government anti-trust action against Carbide and Vanadium.

## F.R.B. Reports Consumer Credit Drops

Washington—Consumer installment credit outstanding dipped slightly in April, according to a new Federal Reserve Board report. After adjusting for seasonal influences, the figure dipped to \$32,932 million—\$123 million below March.

High repayments more than offset increases in extensions for purchases of automobiles and personal loans. Details (including data on non-installment credit) are given in the table below which is based on data from the Federal Reserve Board.

### Consumer Credit Outstanding (Millions of Dollars)

Type of Credit	Apr. 30 1958	Change from Previous Month	
		Unadj.	Sea. Adj.
Installment credit, total.....	\$32,932	— 51	—123
Automobile paper .....	14,788	—101	—177
Other consumer goods paper .....	8,134	— 58	— 7
Repair & modernization loans .....	1,914	— 1	— 1
Personal loans .....	8,096	+109	+ 62
Non-installment credit, total...	9,733	+154	+ 24
Single-payment loans .....	3,501	— 41	— 42
Charge accounts .....	3,694	+166	+ 60
Service credit .....	2,538	+ 29	+ 6
Total consumer credit.....	42,665	+103	— 99





**LITTLE MACHINE** does big job in industry; so its manufacturer said at packaging show. It makes color imprints on any type of material.

## National Packaging Exhibit Shows Research for Customers Needs

(Continued from page 1)

strated its growing attentiveness in the areas of value, cost reduction, and inventory control.

New packaging machinery, some amazingly simple and some of Rube Goldberg complexity, attracted much attention. And seemingly the noisier the equipment, the bigger the crowd at the booth.

Gulton Industries, Inc., Metuchen, N. J., unveiled a machine using ultrasonic sound waves to weld aluminum foil in continuous seams without heat or solder. The manufacturer said the device makes aluminum foil packages that are airtight and resistant to all penetration but puncture and tearing.

Another ingenious device, shown by F. J. Stokes Corp., Philadelphia, automatically sets stoppers into bottles or vials in which material has been freeze-dried, while they are still within the vacuum chamber. This, the company explained, prevents any possible contamination once vacuum is broken.

Other machines on display included the latest in aerosol processing and packaging equipment, automatic high-speed packaging machines for plastic forming, equipment for gas packaging of flexible packages, and automatic quality control equipment.

Plastics stole the spotlight in the broad range of packaging materials displayed at the exposition, one of the largest trade shows ever held in the Coliseum. Here's why:

- Monsanto Chemical Co. exhibited plastics claimed to be cheap enough to compete with paper in one-stop containers for use in vending machines and other applications.

- Continental Can Co. announced that its new product, Conolex, a practical linear polyethylene film, is now commercially available. The company said the film contains such qualities as stiffness, high surface gloss, a built-in tear tape feature, crystal-like clarity, and ability to withstand a wide temperature range.

- Crown Zellerbach Corp. and Ludlow Papers, Inc., both revealed they will build extrusion plants at Orange, Texas, to expand their production facilities for polyethylene film.

- Aerosol bottles for oil or alcohol-based liquids made of nylon resin were displayed by DuPont while American Can Co.

showed futuristic packages for products not yet packed in aerosol containers, such as jam, catsup, syrup, etc.

- Gaylord Packaging Corp. introduced a new concept in hamburger packaging. They displayed a throw-away plastic container, designed for restaurant takeout orders and spectator sporting events, which they say keeps the hamburgers warm and easier to handle.

Besides plastics, other exhibits which drew interest from some 40,000 visitors included that of Central States Paper & Bag Co. which introduced an improved formula for its Pro-Tex-Mor paper, to be known as SILiKone Pro-Tex-Mor. It combines a special treatment of the kraft paper plus an extra layer of silicone.

Shaw-Randall Co. described its display as the newest development in wire packaging in 25 years. It was a "pull-reel" package for electric wires which allows an electrician to pull the wire straight from the reel within the carton without kinking or twisting.

New developments discussed at A.M.A.'s packaging conference, held at the Hotel Statler, were almost as exciting as the exposition.

C. L. Hanchett, supervisor, material handling engineering and inventory planning and handling, Ford Motor Co., told how individual requirements and interdependent relationships of product design, packaging, shipping, and intra-plant handling can be analyzed to develop methods that will effect the most economical movement and storage of materials.

Other speakers discussed how the packaging industry is attacking individual problems through research.

"The packaging industry," declared John A. Warren, technical adviser to A.M.A.'s packing division, "is emerging from a trial-and-error period to one in which scientific data and techniques make it possible to predict the performance of a proposed package under variable conditions."

## National Office Machinery Show Exhibitors Seeking Mass Market

(Continued from page 1)

ample of a firm cutting prices recently. The general price trend is still up.

Burroughs Corp., showing its new series F2000 computer for the first time, provided a good example of the new look in office machinery. The F2000 is an electro-mechanical unit designed to perform many functions of more elaborate and more costly electronic computers, such as handling payrolls, stock records, tax work and interest computation. Price, ranging from \$9,000 to \$12,000 depending on the model, is in the medium or low-priced area for its type of function, according to a Burroughs representative who said the series supplements larger computing machines and "represents an attempt to hit a mass market."

### Manual Model Presented

On an entirely different level, addressograph-Multigraph Corp. attracted attention with its manually-operated graphotype machine for embossing plastic credit cards. Priced at \$415, this unit rounded out the company's available equipment for this operation, for at the opposite end it offered a completely automatic machine in the \$9,000 to \$10,000 price range.

"This hand-operated graphotype is aimed at the smaller store or office, a market that hasn't been worked principally because in good times the salesmen hit the bigger firms," said J. W. Graham of Addressograph-Multigraph. He added that while buying is more conservative, the recession has had no real effect on sales of office machinery up to now.

### Clary Corp. Cuts Prices

One company which cut prices instead of bringing out new models was Clary Corp., maker of adding machines, calculating machines, and registers. Earlier this year, Clary slashed the price of its electric adding machine from \$278 to \$169.50 in a move to reduce production costs by increasing volume. It also cut the price of a printing calculator from \$595 to \$499.50, and a cash register from \$242 to \$199.50.

Demand for the reduced units was so great it was necessary to put on extra work shifts at Clary's two American plants, a spokesman said.

Remarking that the adding machine field is "tremendously competitive," a Burroughs spokesman said that company also brought out a lower priced unit with less adding capacity than regular machines and priced at \$198.

### Executives Say Prices to Rise

Most executives of companies exhibiting at the show said they felt the price of office machinery would continue to rise as material and labor costs go up.

A number of foreign companies, including such familiar names as Olivetti and Hermes, were among the exhibitors. In this category, a newcomer was the Alpina "convertible" typewriters shown by Utility Supply Co., Chicago. This German-made machine can be converted from a portable to an office model by

removing the carrying case and fastening on a base. Cost: \$129.50 for the standard model, \$139.50 for the 13-in. carriage model. In addition, the base, which can be fastened on with two screws, costs an additional \$15.95. Alpina also showed a decimal tabulator model without an extra row of keys.

Lang Equipment Sales Co. showed an elapsed time computing clock. This machine, known as a Calculagraph, calculates and prints the elapsed working time on job ticket or work sheet.

Victor Adding Machine Co. showed its punched tape analysis system. This system, not yet in national distribution, is an electro-mechanical device that provides an automatic recap, distribution, or analysis of data that has been recorded in punched tape as a byproduct of an earlier writing of the data.

## Price Changes

**Freight Rates**—Some twelve midwest railroads have cut the rates for shipments of soft coal. The rate from Western Kentucky to Chicago has been reduced to \$3.08 per ton from \$3.38 per ton. Coal rates from Southern Illinois mines were also lowered 30¢ per ton to \$2.80 per ton. Eastern rail officials also disclosed rates for cement shipments in the Northeast were cut as much as 20% to combat lower truck rates.

**Copper**—Custom smelters have raised the price of copper ¼¢ per lb. to 24½¢ per lb. It's the third boost in as many weeks, and reflects increased demand.

**Lead**—The third cut in the price of lead this year was made last week by most custom smelters. The new cut of ½¢ per lb. leaves the price at 11¢ per lb. This latest cut comes in the wake of continued flagging demand.

**Anti-Knock Compounds**—Ethyl Corp. has lowered the price of its "ethyl" anti-knock compounds by .35¢ per lb. Du Pont Co. also announced a cut in the price of tetraethyl lead, an anti-knock compound. The reduction amounted to 1½¢ per lb.

**Plywood Sheathing**—Major fir plywood producers have upped the price of sheathing fir plywood for the second time in recent weeks. Effective in late June, ¾-in. thick CD grade plywood is going up \$2 a thousand sq. ft. to \$98 a thousand sq. ft. The boost is due to upped demand from the housing market.

**Resin**—Eastman Chemical Products Inc. has reduced its price on two forms of low density polyethylene resin. Epolene N resin is now selling at 35¢ per lb. Epolene E resin has been dropped in price from 48¢ to 40¢ per lb.

**Methanol**—Du Pont Co. has cut the price of methanol with the installation of an all-delivered price schedule. Methanol is now available in tankcars and tank transport for 26¢ per gallon.

## Battle Brewing On Coal Hauling

**Barge, Rail, Trucks Fight For Coal Freight; R.R.'s Start Rate Dips**

(Continued from page 1)

and Western Kentucky to Chicago for shipment on the Great Lakes.

Both the Pennsylvania and Reading railroads reduced hard coal freight rates into Philadelphia and Southern New Jersey last month by 35¢ a ton, dropping the price to \$2.65. This was said to be in line with truck competition in the area.

Still another cut is in the works. Several Eastern roads admit they are considering reductions on hard coal rates from Pennsylvania mines into New York City, Northern New Jersey, Westchester County, and Long Island.

### Cut Explained

It was reported that these cuts, ranging from 41¢ a ton on small size coal to 90¢ on prepared and piece sizes, were to take effect last week. There were indications dealers were holding back on shipments to the metropolitan area, awaiting the reductions.

Eastern railroad officials also made another move to counter truck competition. Charges for cement shipments in the Northeast recently were slashed as much as 20% to combat lower truck rates.

On the coal front, Norman White, freight traffic manager for the Illinois Central Railroad, said Midwest bituminous coal rates were cut to retain business in danger of being lost to barge lines. Charges on coal from West Frankfort, Ill. to Chicago were reduced from \$3.10 to \$2.80 a ton, and from Western Kentucky from \$3.38 to \$3.08.

Among other Midwestern roads which lowered coal rates are the Chicago & Eastern Illinois; the Chicago, Burlington & Quincy; the Chicago & North Western, and the Chicago, Milwaukee, St. Paul & Pacific.

While rail rates are now lower than barge rates in some cases, White explained, generally they remain higher.

Eastern roads considering a rate cut on anthracite shipments include the Pennsylvania; Reading; Lehigh Valley; Delaware & Hudson; New York Central; New York, New Haven & Hartford; Central Railroad of New Jersey; Delaware, Lackawanna & Western, and Long Island.

Some railroad men say the 22.9% decline in rail carloads of coal shipped during the first 20 weeks of 1958 is merely the result of the business recession. But others attribute much of it to increased competition from truck and barge lines.

Frank Earnest, president of the Anthracite Institute, Wilkes-Barre, Pa. has expressed hope that the reduction being considered by the Eastern Railroads will be forthcoming without great delay. He feels it will enable anthracite to compete better with oil and other home heating materials.

"I don't think there's any question dealers would pass the saving along to consumers," he concluded.



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H. J. Haughton, Vice President and Controller, Jones & Laughlin Steel Corp.

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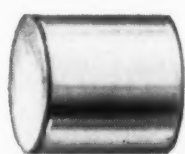
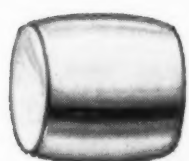


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